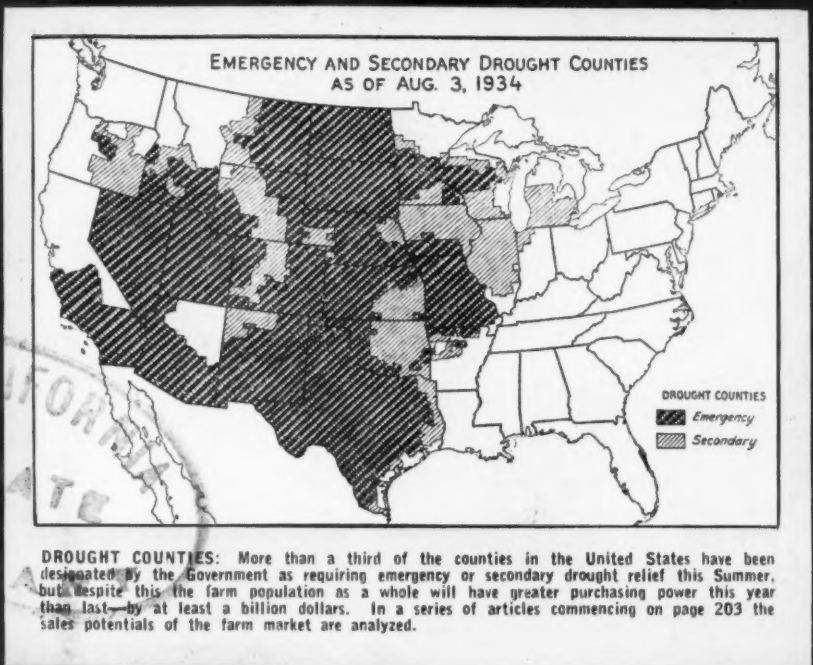


SALES man- age- ment

★
THE MAGAZINE OF
MODERN MARKETING
SEPTEMBER 1, 1934
TWENTY CENTS



HEADS GENERAL MILLS: Donald D. Davis, v-p since 1928 of the Minneapolis firm, advances to the presidency. He has been active on both the advertising and merchandising sides of the business.

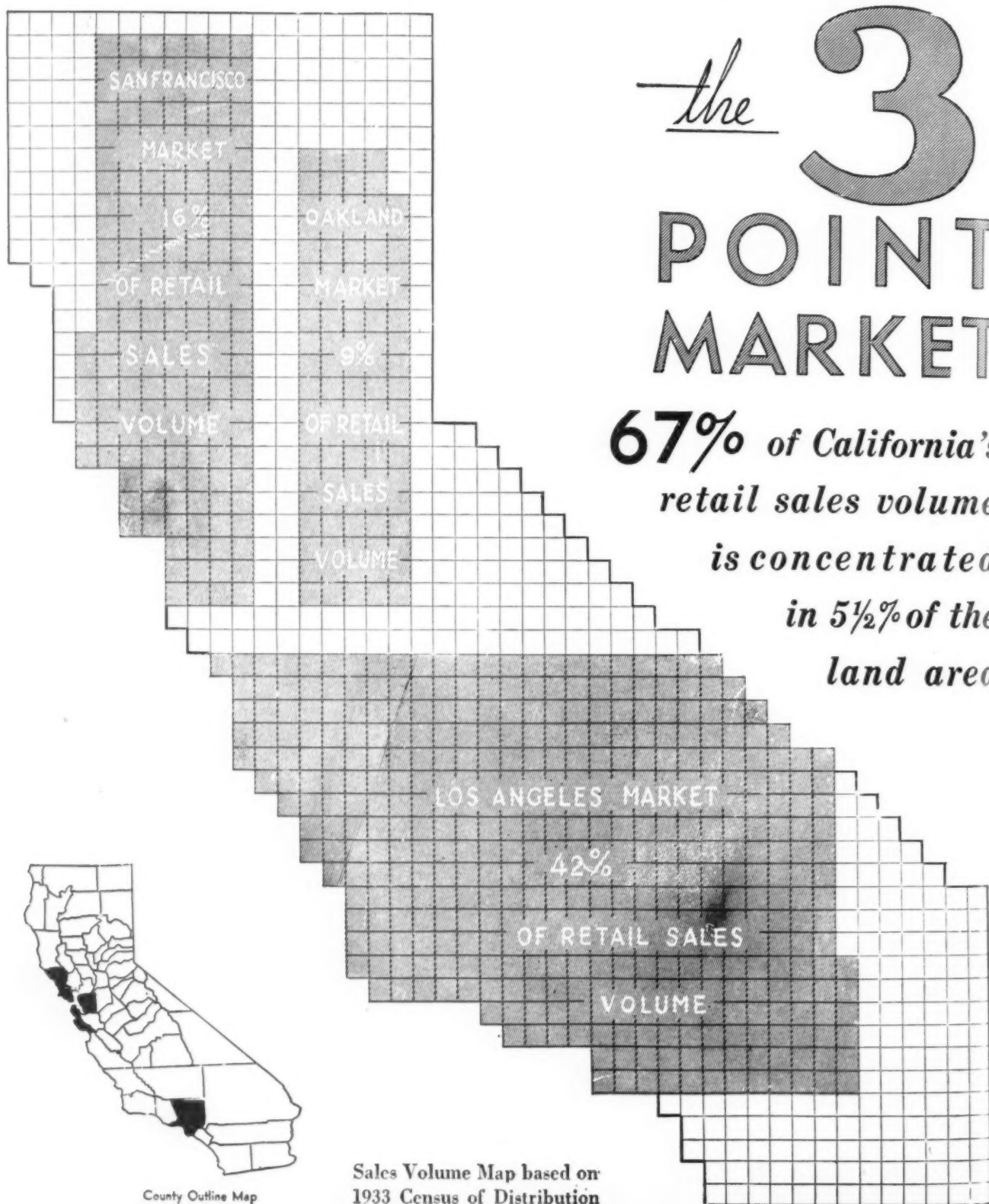
AROMATIC BLANKETS: Cannon Mills this Fall are introducing a branded wool blanket to retail at \$5, packaged in a box of cedar wood pulp. The cedar discourages moths and induces pleasant dreams by its woody odor.

KOOL IN TIMES SQUARE: Brown & Williamson have brought the famed Kool penguin to "the crossroads of the world." The penguin winks, the cigarette "burns," the water ripples—all in behalf of corraling new buyers for Spuds' most insistent rival. The sign, located at Broadway and 43rd Street, was placed through Outdoor Advertising Agency of America, Inc., with Douglas Leigh, Inc. Federal Electric Company built it.

Calif

the 3 POINT MARKET

67% of California's
retail sales volume
is concentrated
in 5½% of the
land area



Sales Volume Map based on
1933 Census of Distribution

Omnia

*The most profitable interpretation
of California Newspaper values
can be made only in terms of the
3 point market*

SAN FRANCISCO

The Call-Bulletin

San Francisco's leading evening newspaper—reaching 65% of all English Reading Families in San Francisco and with its circulation concentrated 93% in the city and suburbs.

OAKLAND

The Post-Enquirer

With its circulation concentrated 96% in Oakland and suburbs, The Post-Enquirer reaches 42% of the English Reading Families of the city. Absolutely essential to adequate coverage of the Oakland market.

LOS ANGELES

The Evening Herald and Express

With a total circulation of 263,573, it reaches 3 out of every 5 English Reading Families in the Los Angeles City Area. The largest daily newspaper in the West—both in circulation and in advertising.

Represented Nationally by

Paul Block and Associates

New York

Chicago

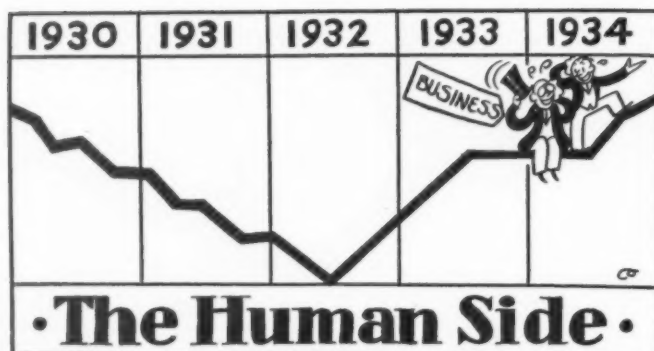
Boston

Philadelphia

Detroit

Los Angeles

San Francisco



Cuckoos and Kookaburras

All those who know the call of the kookaburra bird, please stand.

But everyone with a short wave radiophone set must be able to recognize it else he may miss something from Station VK2ME, Australia. And when he hears the cuckoo he may know CTIAA, Portugal, is broadcasting. "Pronto, pronto, Radio Vaticano!" identifies HVJ, Vatican City; "Hello, hello, here is Moscow," RV59, Russia, and so on.

A page of this sort of thing is but one of the interesting features in "World Short-Wave Radiophone Transmitters" a 100-page book just issued by the Department of Commerce to help people use radiophone and thus, indirectly, boost set sales and international good will, "the essence of foreign trade."

The book also touches upon the British 24-hour clock that causes announcers to say "It is now thirteen and a half," meaning 1:30 p.m. A full page compares the pronunciations of alphabets and figures up to 50 in English, French, Spanish, German and Portuguese thus: "H" is aitch, asch, ah-hay, hah, ah-hay; "Y" is wye, egrek, egreyyah, egrek and egreyayah; "5" is five, sank, sinko, finf, and sinko. One lesson with Uncle Sam and the merest child could count all the debt Germany wants to pay.

There follow pages of maps, distance charts and a listing of 2,400 short-wave stations around the world that use radiophone equipment—"the most complete work of its kind available anywhere." It's a big quarter's worth in spite of the "Time Zone Chart of the World" which is reduced to so fine a scale nobody can read a word. But full-size duplicates are offered for 50 cents. Is Sam a sly salesman!

Happier Magic

Seagram is in good with the magicians. The distiller's little black book "Fun at Cocktail Time," which tells people about mixing drinks and magic (mixing drinks and magic) is now starting its fourth printing, much to the delight of professional tricksters.

It casts no asparagus whatever upon their legerdemain as last year's Camel campaign did. Instead, it teaches simple tricks that the man on the street can do and thus, miracle-mongers hope, helps to rouse new public interest in their business. It may even put a few of them back on the boards—from which so many theatre managers thrust them after the Camel "It's fun to be fooled" exposure had run a few months everywhere.

The Camel campaign "took away the livelihood of many magicians," Julien Proskauer, vice-president of the Society of American Magicians, still complains, "by ruthlessly exposing secrets (most of which were wrong and not magicians' methods) but which were close enough to the facts to cause booking agents to cancel magicians' acts."

Kiszone Ogorki

The Skibba family started it. Over in Poland a couple of generations ago somebody in the family put cherries in the

cucumber pickles . . . kiszone ogorki, to them. The taste was swell. Everybody liked it, including the neighbors. But the recipe was guarded. It still is.

Today Osee Morgan (and not "O.C." as you might think) who married into the cherry-pickle family is building up a local industry around that recipe in his home town of Junction City, Wis. Osee Morgan's home-made cherry-flavored pickles are gaining markets throughout the Midwest. Wholesalers like to handle them. Dealers get lots of calls for them. Volume is growing so that before long he hopes to make his product nationally known.

This is what he says about it, says he: "I'm Irish myself and married a Polish girl, and my wife's people have had the receipt for a long time. So, after I sold out a Men's Clothing Store I had for 15 years I decided to go into the pickle packing business.

"We have been packing these pickles for the last couple years and have trained our people just how we want them. They are all neighbor women and live around the village here. I say 'We're going to can today.' One woman will say, 'I'll get my sister to come and take the bread out of the oven when it's done. I'll be there.' Another will let someone else finish her washing, & etc., and they'll all be there.

"Then we have our own farmers who have brought us the size and kind of cucumbers that we require. They are all hand-sorted. They are loyal to us and we pay them well.

"At the end of the season we have a Pickle-Packers' Ball. I furnish the Beer and Cigars and Canday also prizes for the card games and the ladies bring the supper. We have a blow-out over my father-in-law's store in his Hall (He is Jake Skibba—the big man in the village—country merchant sells everything from farm machinery to marchino cherries) I can assure you it is quiet an event.

"My son 18 years old is quiet a genius. He has made for us a pickle slicing machine. The pickles are sliced, run out on a belt, inspected and run into jars automatic. We use the anchor caps for our jars and I believe they make a perfect seal.

"Thanking you for your interest and hoping if you can use any of this story you will send me a copy for you know how we all like to see our name in print.

Yours Very Resp't.
Osee Morgan."

Thus a man makes a good mousetrap. The world is beginning to beat the fabled path to his door.

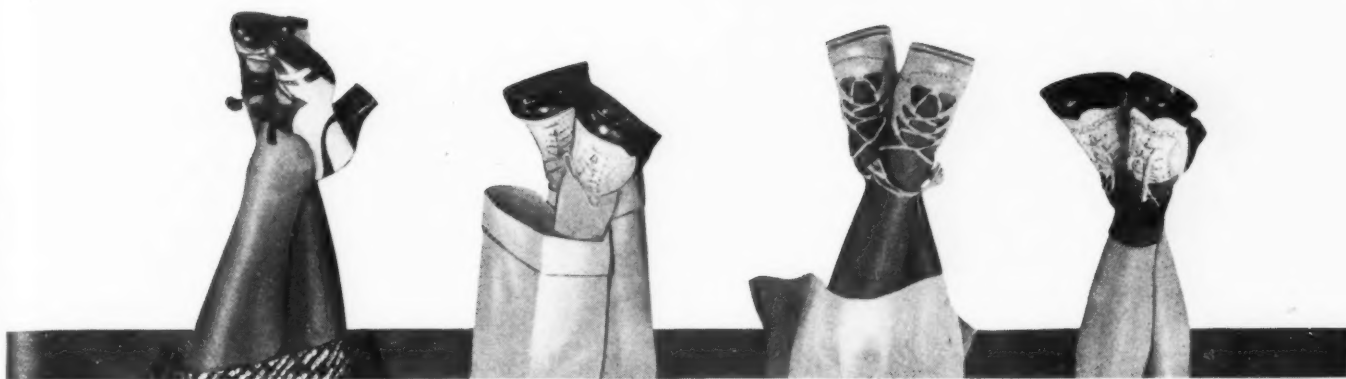
Bread Upon the Water—1934

It was hot in Detroit this Summer and last. Hot even for the "big" men who could escape at four o'clock for a frosty Tom Collins in an air-conditioned restaurant or a train to a nature-cooled countryside . . . unendurably hot for the kids who played in the grimy streets of Detroit's slums. One man, perhaps over a Tom Collins, remembered the kids—and did something about them. But first he consulted his advertising agency. As a result, his bread of benevolence has come back exceedingly rich cake.

The man was Charles E. Austin, president of the Sunny Service Oil Company, who operates about forty gasoline filling stations in Detroit and vicinity, and who claims to sell more gas per station than any other operator in the world. (Mr. Austin's advertising and price policies have been news pretty often in recent years, Sunny Service's battle with competing oil companies a tempestuous one.) The agency was Simons-Michelson, Inc., whose Leonard Simons made the suggestion that has again put Mr. Austin in the news.

For the second Summer now, as a result of that suggestion, Mr. Austin has paid all the expenses of a camp on Lake Huron

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Maybe **THE MORTONS WOULD LIKE TO** **BE IN** *Your Shoes*

But the Mortons will never know, or you, either, if you don't advertise your shoes to them. They're the kind of young, curious AMERICAN readers who are the best prospects in the world if they know your merchandise; and the worst if they don't.

There are 450,000 typical AMERICAN families, like the Mortons, reading the American nightly. They buy at least half of the shoes sold in Chicago—in fact, half of ALL merchandise sold in America's second largest market. This does not mean that they shop "blind man's buff" fashion. They buy only those products with which they are familiar. They are much too modern to guess about shoes—or anything.

The Mortons and their kind of nice AMERICAN families comprise the most important and most active buying group in today's market. Neither too young nor too old, they represent the most desirable type of customer. While perhaps they don't buy the most expensive merchandise, it is equally true, that they don't buy the cheapest. But they do—and there can be no question about it—buy the MOST merchandise.

They are not stuffy, hidebound conservatives. Their minds are open to new ideas. Their ears are open to your advertising story. Fully 80% of all merchandise is priced to appeal to the typical AMERICAN family. A word to the wise is—ADVERTISE!

CHICAGO AMERICAN

... **gives 450,000 families Buying Ideas**

NATIONAL REPRESENTATIVES: *Rodney E. Boone Organization*



SALES management

Vol. XXXV. No. 5

September 1, 1934

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for under-privileged children. It used to be operated by the Highland Park Community Center, but their funds ran out. Now, as "Camp Zip" (Zip is the trade name of Mr. Austin's gasoline) it is host in alternate periods of ten days to fifty wide-eyed little girls—to fifty grinning small boys. Transportation over the 85 miles to the camp is free, as are bathing suits and all other equipment. A swimming instructor keeps a kindly eye on the children's hilarious bobbings and duckings along the beach; a physical director introduces them to games and exercises unknown in city streets—everybody from counselors to cooks is there to see that those ten days will make up as much as possible for the other shabby 355.

Eleven social and charitable organizations in Detroit propose candidates for Camp Zip; selection of children and management of the camp are in the hands of the Highland Park Community Center, and Mrs. Antoine S. Rankin of that organization is camp director. Mr. Austin, with a wistful backward smile at his own boyhood (he's only 37 now), has been happy merely to sign the checks—\$2,000 to \$3,000 a season—which make the project possible.

But Simons-Michelson, with an eye ever cocked for favorable publicity for its client, made still another suggestion and had it accepted.

Last Summer, therefore, appeared an announcement in one of the Zip ads that Mr. Austin was sponsoring the camp. And this Summer, among other bits of promotional tie-up, there was run a full page in color, paid space, devoted exclusively to pictures of and comment about the camp—and its sponsor. Zip gasoline was not mentioned, however.

"We think the camp has been a notable success in every way," Mr. Simons said. "It is not a commercial venture—it is an investment in human welfare and happiness. Nevertheless, it has brought Sunny Service Oil Company incalculable good will, and, no doubt, has pretty well paid for itself in increased sales of Zip. We base this opinion on the fact that we have received a large volume of mail from people interested in philanthropy and welfare, as well as much favorable comment. The general tenor of all of this mail and comment is to the effect that people are glad to know there is something more than gross commercialism behind Zip—and that, if they aren't already Zip users, they are going to be."

Mr. Simons did not say what the tenor of mail and comment from Sunny Service's competitors has been.

Nash's Nash

Nash Motors set out to find the oldest Nash still wheezing along under its own power and still in the possession of the original owner. As a reward for the most venerable relic unearthed, a new car, the millionth of the company's production, was to be presented. Over a thousand cars were entered in the contest, with 475 of them ten years old or older.

Beyond dispute, however, the most ancient was a 1917 touring car, the 571st built by the company. Its owner (and this is where the contest judges got worried) is Dr. E. O. Nash, an 80-year-old physician of Pueblo, Colorado. The judges could hear the boos and groans of "Fake, Fake!" from losing contestants. Dr. Nash, nevertheless, is no relation whatever to the motors Nashs.

In the Fall of 1917 Dr. Nash placed an order for a new Jeffery car, at that time being built in Kenosha. Before it was delivered, he learned that the Jeffery factory had been bought by a man named Nash, who intended to manufacture autos there under his own name. Regarding the similarity of names as a lucky omen, Dr. Nash allowed his order to stand and received one of the first of the new Nash motors. It's been rolling ever since, some 200,000 miles are registered on the speedometer.

After driving his old car so long, Dr. Nash may find the newfangled machine a bit awkward. But he trusts in the magic of its good name to pull him out of any difficulties.

Significant Trends

As seen by the editors of *Sales Management* for the fortnight ending September 1, 1934:

Are We to Have a Boom?

President Roosevelt has said: "It is by laying a foundation of confidence in the present and faith in the future that the upturn which we have so far seen will become cumulative." His recent "triumphal tour" and other straws in the wind indicate that he still has the confidence of the masses of people. On the other hand, the business elements are less sanguine about his policies and his associates—and for the first time since his inauguration he is being attacked personally.

• • • His problem—and the nation's problem—is again to implant confidence in business and financial leaders without at the same time losing the confidence and faith of the masses. The problem calls for all of the skill and dexterity for which he is famous.

• • • Surveys made by the Government and the Ross Federal Service show countless opportunities to repair, modernize, replace or expand existing structures or equipment so that they may administer more efficiently to the population's wants and prepare for future growth. Right now the production of durable goods (those made from the lasting materials, such as iron, steel, and other metal, lumber, cement, stone, and glass) is at a level below normal, about equal to that reached at the extreme lows of the 1921 depression.

• • • Unless the President can find a way to assure business, and at the same time make it plain to the public that we are not going back to the days of Insullism and exploitation of labor, the alternative will be extending relief emergency measures until they become a permanent condition—which in turn would most probably lead to the inflation spiral which other countries have learned to fear as "uncontrolled inflation."

• • • An Englishman has written a book which American business men should read. It is by Major L. B. Angas, and is called, "The Coming American Boom," published in this country by Simon & Schuster. Quite a number of French, Dutch and English business men and economists have been more successful than we Americans in forecasting developments here. Their getting out of securities in the early Fall of 1929 had a lot to do with the bringing on of panic conditions. Major Angas is one of several who were the first to foretell improved conditions after the Roosevelt nomination.

• • • In this book he picks out from the seemingly disjointed and makeshift acts of the Administration the underlying theme which, in his belief, is clear, consistent and fundamentally sound. He thinks that inflation in this country has barely started, but that it will be a credit inflation and not a currency inflation. He says, "The experiment may be compared to the boiling of a liquid. For some time the observer can detect no change as he gazes upon the surface of the water. Just as he is beginning to discredit the efficacy of the fire, the pot begins to bubble and boil. This is what I venture to forecast is about

to happen with credit expansion in America. At a guess, I should say that such a rise will begin before the end of the Summer of 1934."

• • • Major Angas further says, "Keep a curve of demand-deposits. Its increase can spell only one thing—a boom." After reading this we checked deposit figures and find that the total deposits of the reporting member banks of the Federal Reserve System have increased nearly 20% since the first of the year, and that the twelve Federal Reserve Banks, at the close of business August 22, have total deposits 63% greater than at the close of business on August 23, 1933.

The Drought—a Blessing

One of the features of this issue of *SALES MANAGEMENT* is the section on the present and future effects of the unparalleled drought. The first of several articles is on page 203. The result of our investigation—which covers a wide range of studies and consultation with many groups—is that the net effect on the farming community, taken as a whole, will be excellent. Its effect on the city population is less certain, but indications at present are more favorable than unfavorable.

Returns from the first 87 companies in a new survey being conducted by *SALES MANAGEMENT* reveal that 50 of these firms, or 57% are planning to add more salesmen in 1935. Only one firm plans a cut, that one slight, and the others will employ the same number. Most of those who are expanding their staffs are cutting territories so as to gain more intensive coverage; quite a few are putting junior salesmen to work under experienced men in existing territories.



Photo by H. Armstrong Roberts

• • • Home modernization under the Housing Act is proceeding carefully under the guidance of James A. Moffett. The lack of haste in getting it under way may make for a better speed in the future. From this point on industry should not be long in feeling the effects of the program. It differs from the PWA priming the pump theory in that it forces, through Government guarantees, the employment of private capital at no public expense.

• • • Both the Secretary of Commerce and the Assistant Secretary of Commerce took steps last week to reassure business and industry that private profit and individual initiative are the essentials of recovery, and back-

bones of the Roosevelt plan. Just how much weight they carry in Administration councils is undetermined, but many consider it important that there is still a right wing in the Administration.

Washington observers are agreed that the Government can check any bad slump because it has plenty of stimulants ready to apply if the situation appears to be getting out of hand on the down slide—and partners of Economics Statistics, Inc., who have an enviable record for "calling the turn," think that August marked the low of industrial production. They point out that the current decline of automobile production is not as great as seasonal, that car loadings continue to show stability, and that retail reports are favorable. Thus the supply-demand situation shows continued correction.

The net earnings, for the second quarter, of 224 corporations, which cover the leading companies in 24 industries, showed an average increase of 37% over the corresponding period last year:

	Number of companies	Earnings 2d quarter	
		1934	1933
Automobiles	8	\$38,005,349	\$39,733,789
Auto accessories	17	6,401,541	4,813,696
Building	6	*98,245	*1,341,918
Chemicals	11	22,938,396	16,067,601
Containers	2	940,608	529,475
Coal	3	220,484	*308,500
Electric equipment	4	6,892,670	529,794
Finance	2	2,194,322	2,135,421
Foods and drugs	25	26,426,567	27,306,672
Household	7	1,601,360	2,893,088
Machinery	8	1,427,556	*1,381,780
Miscellaneous	15	2,294,141	1,428,125
Mines and Metals	8	3,313,362	2,486,167
Office equipment	3	3,096,789	3,234,289
Oils	15	7,493,474	*5,539,348
Paper and publications ..	6	2,952,693	1,092,871
Railroads	18	10,519,530	7,748,769
Railroad equipment	3	515,543	*242,194
Retail	7	*337,864	264,519
Steel	19	16,715,709	*14,125,324
Textiles	6	219,172	812,498
Theaters	1	320,782	197,177
Tobaccos	4	1,135,040	521,543
Utilities	26	59,487,117	67,822,381
	224	\$214,676,096	\$156,678,811

* Deficit.

These earnings do not show quite as high a percentage gain as during the first half of the year but they are sufficiently high to make the present wave of pessimism difficult to understand.

Moody's Commodity Price Index of sensitive commodities reached a new reflation high last week at 153.9. A year ago it was 130.8. The Irving Fisher Wholesales Commodity Price Index based on 1926 as normal, is also at the approximate top—77.8.

Sales Reports

Business as mirrored by bank debits improved seasonally in August as compared with July.

Most of the weekly reports showed gains of about 10% over the same month last year, whereas in July decreases were recorded.

Newspaper advertising activity continues to exceed that of a year ago, although the rate of increase in volume has lessened slightly. According to compilations made by Media Records, Inc., total July newspaper lineage gained 6.4% over last year, with every classification gaining except financial.

Hotels continue to report greatly increased business in both room and restaurant sales—indicating more intensive efforts on the part of sales organizations. Most cities report gains in room sales of from 10 to 22%, with the exception of Chicago and Washington, where a greater World's Fair attendance, and hectic NRA matters, gave them booms last year.

Production of automobiles in July was 16.2% above 1933, and R. L. Polk & Company figures of July registrations from the first 28 states to report indicate a total of at least 230,000 units, which will be a new record for 1934, and a gain of 7,000 cars over the June figure.

Sales of life insurance are running 17% above the last year figure, and, believe it or not, the greatest increases are coming from the states in the so-called drought belt.

Construction awards, through July, continue above the corresponding total last year, according to F. W. Dodge Corporation, the July volume of \$119,698,000 for the 37 Eastern states contrasting favorably with \$82,554,000 for July, 1933, and \$127,000,000 for June of this year.

It is likely that the August gain will be even better, for the Lumber Code Authority in the first half of the month reported that lumber orders were the highest in nine weeks, and for the week of August 17 lumber shipments were the heaviest of any week since July, 1933.

Business failures last week totaled 197, and were the lowest in 14 years, so Dun & Bradstreet say.

Capitalism —and Good Will

If we may again quote from the English—here is an interesting excerpt from an editorial in the London *Times*.

"Roosevelt's controlled capitalism is not socialism, and those who first hailed it as a step to socialism have invited their own disappointment. *The capitalism will remain; but so will the control!*"

The Hearn Department Store in New York has announced that it will forego all profits and dividends for one year, beginning September 1, with a view to "helping people with limited incomes and aiding and speeding recovery through the stimulation of trade." Many companies have been able to forego profits without consciously trying to do so.

The control of Government over industry was further strengthened during the fortnight by the decision of the Federal Court for Northern Illinois in ordering the Joseph Schlitz Brewing Company to dismantle hundreds of \$400 electric signs which they had furnished to Chicago retailers. It seems that the Schlitz Company interpreted the code provisions to mean that they could not spend more than \$400 in making the sign, but the Government and the Court interpreted the code to mean the \$400 must include *all* costs including rentals and erection.

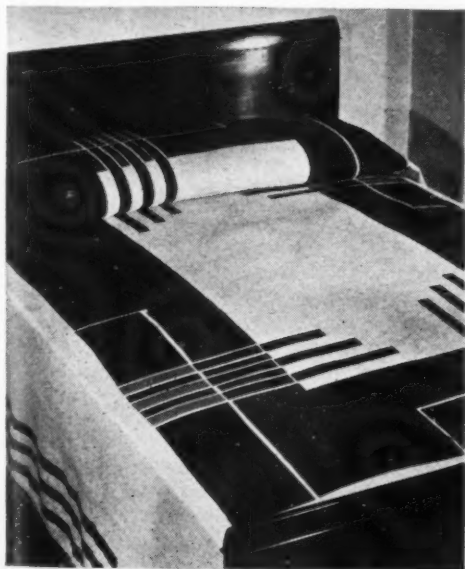
Again there is talk of a big merger in the automobile trade. Among the companies mentioned as being involved are Auburn, Reo, Hudson, Pierce-Arrow, Nash, Studebaker, Franklin, Graham-Paige, Hupmobile and Continental. Even if a merger should go through it is doubtful that more than four of these companies would be involved.

Reprints of Significant Trends are available at three cents each, remittance with order.

Newsy Shots from the Fortnight's Marketing Doings

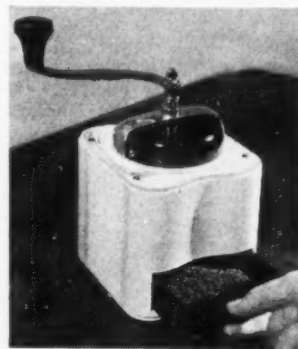


Heroes of Long Ago: Post's 40% Bran Flakes is adopting a new package featuring playing-card-size cutout portraits of famous Americans. There are four pictures on every box, several different sets in a case. The characters include George Washington, Buffalo Bill, Robert E. Peary, Sitting Bull, and Paul Revere. Reason for the move: American youngsters are born collectors, says Bruce Ashby, GF executive.



Spreads by Cannon: (Left) Cannon Mills this Fall make available a complete line of bedspreads to be pushed, under the Cannon name, along with towels and sheets. Woven, printed and applied designs are included.

Grandma's Favorite: (Right) Germany has modernized an old-fashioned product until you'd hardly know it for a coffee grinder. It's Bakelite. Another old product to stage a comeback?



Stiff Soup: (Below) Franco-American Food Company is gaining introduction for their new Consomme Madrilene (jellied) with the help of this board container built to simulate an ice-box. The "doors" swing open to expose the labels of the cans. It persuades housewives to buy two instead of one, says John B. Moran, sales manager.

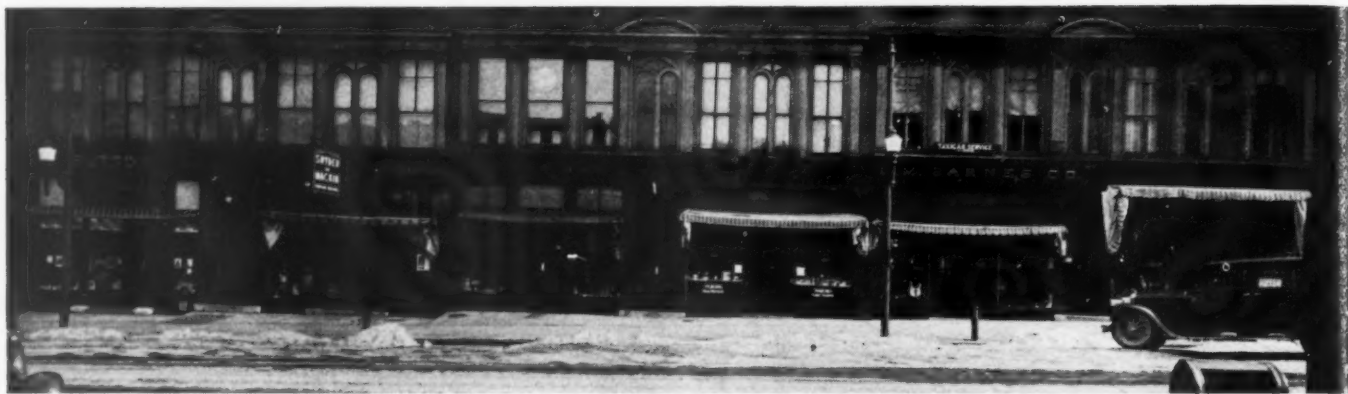


Duo, Jr.: RCA-Victor has just introduced an inexpensive little adaptor through which any radio receiver to which it is connected is made into an electric phonograph-radio combination. You play your favorite records and listen to the music through your radio speaker.



Liquor Seller: Canada Dry's sales of alcoholic beverages are rolling along so nicely that the sales force will be expanded immediately. P. M. Boggs, long a Canada Dryer, and vice-president of the company, has been appointed by President Saylor to direct liquor selling activities.





A Business Street in Oswego: There's plenty of money for shopping there, say the town's three liquor stores, but fear, prejudice—and the bootleggers!—keep the beverage dealers from getting their share.

What Are People Drinking— in the Syracuse Area?

NOW that we have repeal what are people drinking? What do they buy, where do they buy it, have they money enough to buy liquor?

The answers are fairly well known so far as the big cities and their immediate suburbs are concerned but what of the small and intermediate cities? And what about the business situation in representative cities of this type? SALES MANAGEMENT editors had many inquiries from subscribers.

So we sent Ross Federal Service field workers into two upper New York state cities—Oswego (22,652) and Fulton (12,462). The former is on the shores of Lake Ontario, 40 miles from Syracuse. Fulton lies about half-way between Oswego and Syracuse. Both are well above the U.S.A. average in income tax returns—30 per 1,000 as against 13 for the country as a whole. Oswego county has 179 passenger cars to every 1,000 inhabitants; the U.S.A. has 172. More than eight-tenths of the people are native whites. Oswego has been a "wet" city for decades. In 1918, the last year in which there was a local option vote, the wets polled 73% of the votes. Fulton, on the other hand, voted itself dry before we had so-called national prohibition. Both cities share in the benefits of diversified industry and agriculture. The people are literate, as the count on newspapers and magazines shows.

In Oswego the Ross men and women made a beverage inventory in 2% of the homes, and in Fulton in

The eighteenth of a series of dealer and consumer market investigations made exclusively for Sales Management by Ross Federal Service, New York

slightly more than 3%. When we say "inventory" we mean just that. They didn't ask the housewife what she had on her shelves or in her refrigerator; they *looked*. Strangely enough, there were relatively few women who objected. Most of them seemed to enjoy the sense of importance it gave them. The Ross men received a number of Mae Westian invitations to come back again and make an inventory of other rooms. Occasionally no one was at home or the woman was suspicious or busy, but in general they were able to get into every fiftieth home—just as they came—in Oswego, and into every thirty-first in Fulton. (Editor's note: 2% is generally conceded to be sufficient to give an accurate cross-section. See page 218, this issue). Through this method all sections of each city were covered impartially. The total number of homes inventoried was 208.

The head of the house was employed in 80% of the homes in the two cities, with Fulton having the better record. Their occupations were: 56 skilled workers, 44 unskilled, 16 professional men and executives, 16 salesmen, 11 merchants, 10 city, state

or federal employees, 6 office workers, 6 sub-executives, 32 miscellaneous and 11 unknown. Depression hit both cities fairly hard but they are coming back now and most of the people seemed optimistic about the future.

The rental values of their homes were:

33.3% under \$25 a month
49.6% \$25 to \$39 a month
17.1% \$40 and over a month

The majority owned their homes. In Oswego, for example, there are 6,230 dwellings and 5,500 home owners.

The objectives of the Ross workers were to find out what brands of coffee, tea, chocolate, cocoa, ginger ale, grape juice, other non-intoxicating beverages, beer, wine, and hard liquor were in the house—also how many packages, size of package, where bought and when bought. No brands were recorded unless the Ross workers saw them. At the end they made a record of the copies of current magazines which were in the homes and inquired about the newspapers which were taken regularly.

W. C. T. U. Would Approve

There is very little liquor in these Oswego and Fulton homes—at least during the early part of the week. The Ross workers made their check-up on Monday to Friday inclusive (July 30 to August 3) and the liquor found wouldn't jar a flock of canary birds. A few bottles of wine, a few gallons of home-made wine, here and there a bottle of gin, a little rye. That was

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all. No Scotch or other imported whiskey, no cordials, no champagne.

Beer—yes. In 18% of the homes. Most of it was from upper New York state, but a few had Pabst, Budweiser, or Bass ale.

But the W. C. T. U. would be mistaken if they concluded that there was very little drinking done in these cities. In Oswego there are 3 retail liquor stores and a number of restaurants, hotels and clubs which are licensed to sell everything. In addition, beer is sold by a wide variety of outlets. In Fulton repeal brought 2 retail liquor stores but one man called it quits after a few months. Fulton also has its fair share of consumption-on-the-premises places. The liquor dealers in Oswego profess themselves as being *fairly well* satisfied with business. All of them renewed their licenses after the initial half-year period. The local newspaper publisher says they pay their bills promptly. The dealers say there are enough drinkers to make business *really good* and enough money in the town—but the bootleggers!

Early last month one Joseph Catalone, his wife, and two sons were arrested for owning and operating a still in Oswego. Internal Revenue agents found an elaborate cooking plant with 10,000 gallons of corn and sugar mash, 85 gallons of alcohol and other contraband. The liquor dealers say that there are plenty of other Catalones, and their opinion is supported by the observations of newspaper men and others who "get around." Many housewives and their families, when questioned by the Ross people, said "Oh yes, we drink occasionally, but we buy it only if we are giving a party." Others said that they did most of their drinking in restaurants or other places where they and their friends met for diversion.

In nearly a quarter of the homes they were told, "We don't mind an occasional drink, but we can't afford it. Liquor is too high, and money is too scarce." Some of the citizens are receiving work relief from the State and are afraid that it might be taken away if they spent any of their money for other than necessities.

Repeal Helps Postal and W. U.

The leading liquor dealer believes that less than 10% of the homes in Oswego have any liquor on hand. And he says further that half of these people would be ashamed to admit it. Many of them place their orders over the telephone because they do not want to be seen going into a liquor store, and they will not allow deliveries to be made by the proprietor or

by a truck bearing his name. They insist upon delivery by a Postal or Western Union boy, hoping that this ruse will fool their neighbors.

The majority of people, again quoting the leading liquor dealer, buy a bottle at a time, for immediate consumption. Friday and Saturday are the big sale days. "By far the major part of the business is in pints, and most of it in the cheapest available brand. I have very few regular, steady customers."

Another dealer said that when he first opened up he had a few customers



The chances are only 1 to 10 that the owners of this house have liquor on hand—and even money that, if they do, they'd be ashamed to admit it.

Beverages Underadvertised

This SM-Ross Federal inventory in the homes of two above-average cities indicates that the saturation point in most lines of beverages is a long way off. Beer was found in 18% of the homes, hard liquor and wines in less than 10%, ginger ale in only 30%, sparkling waters in none, grape juice in 17%. The manufacturers in these fields have an opportunity—and, it would seem, an obligation.

who rushed to put in a complete stock of liquors, but that this business has dwindled off and these same customers now buy a bottle or two at a time as occasion arises. His best customers are the soldiers at Fort Ontario. He knows that bootleggers are beating him on price. They are selling gin at 60 to 75 cents a pint. Not much wine is sold by any of the dealers, but sales have picked up a trifle recently on brands which now retail at 59 cents a bottle.

One of the dealers stocked up with

an assortment of cognac and other cordials in December but hasn't sold a single bottle. Another got quite pepped up a few months ago from several calls for Bacardi rum. He put in a case but his customers threw up their hands in despair when they heard the price. You can have it at a good discount now. He thinks that manufacturers of wines and cordials will have to do more of an educational job if they are to capitalize fully on what is a big potential market.

Advertising Helps

All of the distributors agreed that no one brand or company's brands could be said to be most popular. All the nationally advertised brands have moved fairly well, with the biggest play going to the least expensive. They always feel immediate effect from newspaper advertising—both from that done by the makers and their local efforts. Whenever a new brand is introduced they get business on it, but as buying preferences are not yet solidified they have observed that it still is possible for the next well-advertised brand to get a foothold in the market. Price is, of course, a big factor in this market, as in other parts of the country, and the cheaper brands are the largest sellers. Most manufacturers, they believe, understand that the public is still groping and that the sales story must be told consistently or else newcomers will take away customers developed by those who were first in the field.

Other Drinkables

Coffee was found in 98.6% of the homes in the two cities, coffee substitutes in 2%. A total of 41 brands was found in the 208 homes. Leaders were in order:

Chase and Sanborn	35
Red Circle	26
Beech Nut	20
White House	16
Maxwell House	15
Bokar	13
Eight O'clock	12
Mah Jong	9
Jewell	5
A & P (not identified)	5

Eighty per cent of it had been purchased within a week, 13% within a week to two weeks. Two-thirds of it came from chain stores (of which there are 20 in Oswego, for example, against 106 independent grocers). Slightly more than half of the coffee on hand was of nationally advertised brands. All but a small minority had one pound, or fraction thereof.

The chain stores are most popular
(Continued on page 225)

Wave of Advertising Rushes Ford Back to Top in Motor Car Sales

BY this time Ford Motor Company doubtless has sold 350,000 cars—180,000 more than in the first two-thirds of the year 1933. Leading the industry in sales for the first time since 1931, Ford is now 25,000 units ahead of Chevrolet—even though Chevrolet's sales by this time last year were 100,000 units ahead of Ford's. And even though Chevrolet's volume this year has been going forward on the otherwise-satisfactory basis of a 20% increase.

Other automobile companies, in addition to Ford, have made rapid sales progress this year. Oldsmobile and Hudson, for example, have doubled their volume. Plymouth and Dodge are 50% ahead of the parallel period of a year ago. But of the industry's total increase of about 300,000 cars, more than half has come from Ford.

Dealers Share Much of Cost

Much—perhaps most—of Henry Ford's progress this year is due to advertising. His present eight—and he makes only eights now—is substantially the same car which took such a terrific sales licking from General Motors' Chevrolet last year, and which almost was passed in volume by Walter Chrysler's five-year-old Plymouth. His sales organization and his sales methods have not been essentially changed.

Mr. Ford advertised sparingly last year. His total expenditures in the first half were not more than \$400,000. In the first half of this year, on the other hand, they were *about six times as much*.

An increase of 500% in advertising which brings only a bit more than 100% in sales may look foolish, but an increase of \$2,000,000 in advertising which lifts retail sales volume from about \$70,000,000 to about \$160,000,000 (f.o.b. Dearborn) for a six months period is something else again. Probably it has been enough to change Ford's annual losses of \$60,000,000 and more a year in recent years to a profit. And 1934 probably will wind up with the biggest individualist in American business sitting pretty again on the right side of his ledger, with a few hundred million dollars of assets still left him.

Besides, nearly all of the advertising has been in "cooperation" with dealers.

The fact that Ford was free of labor troubles in the early part of this year,

while General Motors, Chrysler and others were having their fill of them, has been in his favor. But a factor against him was the bad odor in which he stood with the then-so-popular NRA. Perhaps the one counter-balanced the other.

Unable to get definite figures from the people who handle Ford's advertising, SM has done some rather careful digging on its own. His advertising success this year, it appears, has been due to an aggressive, largely localized policy. It has been a policy of selling the product on its merits, without reference, implied or otherwise, to alleged shortcomings of competitors; and a policy of adjusting the program to meet the needs and the potentialities of the individual market. It has also been a policy of thorough coverage of all the 32 Ford branch territories, by newspapers, outdoor, radio, magazines and farm papers.

In the first half of 1933 Ford used 1,493,565 lines in 339 newspapers of 86 of the larger cities of the United States and Canada, measured by Media Records, Inc. In the first half of 1934 he used 4,799,618 lines in 346 newspapers in 89 cities. (This does not

include Ford-and-Lincoln combination copy.) How much he used in the 1,500 other daily newspapers of the country, and in the thousands of other newspapers, cannot be determined. But his increase in these larger newspapers alone was 221.4%. If you figure 20 or 22 cents a line as the average expenditure in these newspapers (the ads were placed through dealers, probably at a local rate) you have an expenditure for this group alone of about \$1,000,000.

"Daddy, may I drive the . . . Ford?" On your week-ends, wherever you are in the country, in recent weeks, you have doubtless seen this poster of the beseeching daughter and her father. For the first time in a dozen years Ford is using outdoor advertising extensively; for the first time in his history, outdoor people say, from coast to coast. No figures are available for this medium. Executives of Outdoor Advertising, Inc., value the hard-earned Ford contracts too much to spill any beans. But if you guess less than \$1,000,000 for Ford's outdoor expenditures in the first half of 1934 you will have guessed too low. Last year Ford used posters only in the East. Increase in his expenditures in this medium has been several hundred per cent.

Farm Papers Get a Break

Largest "percentage of increase," of course, is in radio. No Ford money at all went into network broadcasts last year. In the first half of 1934 the programs starring Fred Waring and his Pennsylvanians, the Detroit Symphony and guest artists, have brought \$404,214 into CBS alone—not counting expenditures for talent.

Another medium not used by Ford in the early part of last year was national farm papers. Here he spent \$7,025 in the first 7 months of 1934.

Nor have general magazines been slighted. Although expenditures in them this year have ranked considerably below those in newspapers, outdoor and radio, they represent an increase—seven months against seven—of 331%. The figures were \$123,300 and \$28,585.

Henry Ford turned 70 a month ago. His company has just become 30 years old. Both have had the vicissitudes of long and eventful life. Probably it will be some time before they are turning out cars again at the rate of 7,500 a day, as they were a half-dozen years ago. But we have a feeling Mr. Ford has discovered some things about advertising these last six months—that he has learned, for example, how to gear his media, thoroughly and consistently, to make sales climb.



Breaking down a haberdashery tradition, Duofold, Inc., has induced many stores to employ this new Einson-Freeman cardboard counter merchandiser to show Du-ons, a men's underwear item. It has been customary to use glass and mahogany counter displays for cuff links and collars; but no cardboard. This one, tightly built and smartly lithographed, contains two dozen suits of Du-ons, each in its window package, all displayed in the four-step unit topped by a single illustration of a model wearing a suit and bottomed with a single strip of copy saying "Maximum comfort—minimum underwear."

It Isn't the Business You Get, It's the Business You Hold

By BRUCE CROWELL

SIT down at your desk some day soon with a list of the customers you had three years ago. Another list for two years ago. Still another for one year ago.

Then check up to see how many of those customers in each group are still buying from you. The percentage of survival among your buyers is one of the most important measuring sticks of your ability as a salesman.

It costs, in most lines of business, a goodly sum of money to get a new account. In some industries it may run into the thousands of dollars. The house makes this investment because it is hopeful that you, as a salesman, will continue to get the repeat business which will ultimately turn that account into a profitable one.

Profit margins on most products and services are now lower than they have been for some years, and this means two things: that you must help to

cut down the original investment in getting a new name on the books through fewer calls per new sale. And second, that you must redouble your efforts to avert mortality of accounts, so that what profit there is will not be eaten up in account turnover.

A few buyers remain loyal to their sources of supply through the sheer quality of the goods. But by far the most accounts are kept because the salesman sticks everlastingly on the job of nursing them. He gives careful thought to the satisfactory settlement of complaints. He continues to take ideas to buyers so that his visits are something more than a routine of "any-orders-today?" character. In short, he gets his accounts to the place where he is rendering a *continuous professional service*.

It isn't the business you *get*. It's the business you *hold*.

Standings in Major Leagues									
MONDAY, AUGUST 20, 1934									
American League					National League				
YESTERDAY'S RESULTS					YESTERDAY'S RESULTS				
New York, 9; Detroit, 8.					New York, 6; Cincinnati, 4 (11 inn.).				
Detroit, 4; Philadelphia, 3.					Brooklyn, 2; Pittsburgh, 1.				
Philadelphia, 2; St. Louis, 1.					Chicago, 3; Philadelphia, 1 (10).				
St. Louis, 2; Boston, 1.					Chicago, 4; Philadelphia, 2 (20).				
Boston, 2; St. Louis, 1.					Boston, 10; St. Louis, 9 (10).				
STANDING OF THE CLUBS					STANDING OF THE CLUBS				
New York	10	14	11	0.106	7	10	13	0.107	7
Detroit	9	13	10	0.104	8	12	12	0.103	8
Philadelphia	8	12	10	0.103	9	11	11	0.102	9
St. Louis	7	11	10	0.102	10	10	10	0.101	10
Boston	6	10	9	0.101	11	9	9	0.100	11
Cleveland	5	9	8	0.099	12	8	8	0.099	12
Chicago	4	8	7	0.098	13	7	7	0.098	13
Pittsburgh	3	7	6	0.097	14	6	6	0.097	14
Washington	2	6	5	0.096	15	5	5	0.096	15
Los Angeles	1	5	4	0.095	16	4	4	0.095	16
San Francisco	0	4	3	0.094	17	3	3	0.094	17
Portland	0	3	2	0.093	18	2	2	0.093	18
Seattle	0	2	1	0.092	19	1	1	0.092	19
San Diego	0	1	0	0.091	20	0	0	0.091	20

To decide how good a team is, you can't look only at the "won" column. You've got to look at the "lost" column too, to get that team's percentage of efficiency. In the same way, a company must measure a salesman's value—not only by the number of new accounts he wins, but by his percentage of loss.

Wide World Photo



Reprints of this page are available at three cents each, remittance with order.



"Sorry. We were considering a younger man for the position . . ." But will the younger man possess the knowledge, the experience, or the tact in handling people that selling your product requires?

THE sales manager said: "I want three salesmen. Please bear in mind that I want men twenty-five to thirty-five years old, tall, well groomed, good looking in a clean-cut fashion. A college background and a cultured voice and manner are essential. I want *young*, vital men with ambition and energy, and with the assured but magnetic personalities of those who have handled men and carried responsibility. Salary, thirty-nine hundred."

I said: "It is impossible for me to send you men twenty-five years old with all of the qualifications you mention because they could not have handled men and carried great responsibilities at that age, and you won't get anybody of thirty-five at your salary with all that, unless a miracle walks into my office."

He shook his head vigorously. "I don't want older men," he objected. They are not flexible. They cannot adjust themselves easily to new working conditions. They are too grooved in their thinking, too reactionary."

"But men in the prime of life," I insisted, "men not over forty-five or fifty, men who have handled other men and who have leadership and strength and the energy and power of youth too, would be better sales material for you from every point of view."

Of course I had a hard time forcing my convictions upon that sales manager, but at last he agreed to see one or two of the men I suggested, and the results were most satisfactory. He was able to put men to work with all of the qualifications he demanded, and

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Are Salesmen "Through" at Forty?

Life begins at forty for many a salesman, declares this writer, who urges sales executives to be less hasty in turning thumbs down on sales applicants who have turned the two-score point in age. Just now, when so much potentially good middle-aged man power is available, many a firm not too prejudiced on the age question can add producers who are good for the long pull.

they were willing to compromise on salary, knowing to their sorrow that being over forty made this the hardest employment market in the world.

This matter of the age of salesmen and of standardized appearance and the prejudice that a man of forty-five is senile, is a very serious problem in employment. It seems to me, after twelve years behind a placement desk, that the type has come to be a conventionalized dummy. Isn't it time for us to cast away these dummies and look for real men? No one person can do much to change a general opinion, but there are many indications that plenty of organization heads are thinking about this problem.

The ideal salesman is not always the college graduate with good family background and experience in your field. There are many important buyers sitting behind desks and standing in stock rooms to whom the young college graduate does not appeal. Many of these purchasers of your product are themselves middle-aged, if we can call anyone *that* who is as highly vitalized in mind and body as are some of the men who are writing "fifty" to their names this year. These buyers respond to an older man—a contemporary of theirs, who has their point of view, and who isn't trying while selling them to patronize them just a little. The age of a man cannot be arrived at by an actual *count of years*. There are men who are old at forty, and there are men who are young even in appearance at the age of fifty.

A young man came into my office

SALES MANAGEMENT

recently who was splendid material for a managerial position I was trying to fill. When he had given me his record and his age, I said to him: "You must have gone to work when you were about twelve and become a manager at fourteen." He looked keenly up at me and then obviously made a decision. "I'm cutting exactly thirteen years off my age," he said. "To my sorrow, I have found that it is fatal to give my right age. When I have made good in a job and they forget to think me at an age which 'slides down hill,' I sometimes tell them my secret."

Years ago no unmarried woman ever had any more birthdays after she was twenty-nine. Technically she remained just short of thirty until nature made the fiction wholly impossible. Something of the same thing goes on in the business world. We should stop it, shouldn't we?

The personality of a man is the thing that shines through him, if he is real, and for this matter of personality there is no conventionalized figure. Good manners and good temper, education, fearlessness and tact must be present, but there are hundreds of different ways in which these manifest themselves. The "come-back," the flash, the vital spark with which a man meets us, *that's* what we mean by magnetism, isn't it? This conventionalized figure of the young man who is well groomed, and so on and so on, is a formula which grew out of the realization that a good first impression was the most important in sales work. In making that demand, however, we have forgotten, I think, that this is but the shell and that some good, tasty meat has to lie beneath it.

Where "Over 40" Is Priceless

One of the distinctions to be made in the sales job is not too often understood and that is the distinction between the sales job which offers general merchandise and that which offers highly specialized merchandise. The latter is the job which must put technical ability, understanding and training of the salesman first. Even if he is not altogether tactful, even if he is not quite magnetic, even if he is not "under forty," (and if he is a good technical salesman, he usually is over and not under, that figure) his knowledge of the subject or material which he offers for sale is the important consideration. Now, this man, as he approaches fifty, is too often left on the human ash heap just when he should be priceless to the special field for which he has been trained. An interesting case of this sort came to my attention last year.

A man had gone into the selling of lumber when a very young fellow and at thirty he was one of the most successful traveling salesmen in the dressed lumber line. At forty he was getting a big salary. At forty-two came the financial storm and he was swept overboard. Came 1933, and he was selling lumber by the foot in a yard at twenty dollars a week. In vain I offered him to all enquiring prospects. The age alone was enough, and his appearance, when I did get him an interview, finished the prospective employer's desire to put him on his sales force.

Then a large lumber firm lost their star salesman through a bad motor accident, and someone was needed to take over the territory until they could select the "young, magnetic, well dressed man of about thirty" who was urgently desired. By dint of all but weeping on the sales manager's shoulder I got Mr. X, the experienced but unconventionalized lumber salesman, a chance to go out on the road for just one month. When the slightly disapproving sales manager had sent him out I sat back and sighed with relief, because, you see, I knew what was going to happen.

Yardsticks to Real Age

As a matter of fact, you couldn't pry that man loose from the firm now, not by any salary offer, for they are prepared to meet all comers on that score. They have learned that his leisurely, almost eccentric, way of selling is liked. Men beg him to stay in town until noon and have lunch; they take him home to see the children and ask his advice about many things, for he is one of those persons who have a virtuosity with people. He doesn't keep his clothes pressed as well as he might, and there is no doubt that he has an enlarging bald spot on his head, but the firm doesn't mind. In fact, they have begun to be proud of this "character" salesman of theirs, for he turns in a volume of orders that causes the other salesmen to watch their step.

Even a man without the quaint charm and ability of this man, who

knows his product with thoroughness, is too valuable to be discarded, though he limps and wears a toupee!

The "spell-binding" salesman is a different type from the technical salesman and he is a person of exceeding difficulty to get, if he is to have all that the average sales manager requires. He is, from my standpoint, not less complex but *far more so* than the technical salesman. In the matter of his age I do not apply the easy and often incorrect standard of how old he is, but I ask myself something like this:

Does he show signs of really good health? Is he interested in the year, the day, the moment, as youth always is, not living in even a year ago? Is he vitally interested in people? Does his eye light quickly on new persons who happen to come into my office while he is talking to me? Has he a sense of humor? Does he know how to sound out the person to whom he is talking?

If I pretend that I am tired and rather irritable, will he, with delightful tact, make me feel that he wants to spare me everything that he can? Does he speak too precisely, thus showing that his English is conscious and suggesting that he has a more slipshod style when not on exhibition? Does he wear his clothes easily? Is he at ease, no matter whether I seem to be or not? Is he possessed of a direct gaze, a self-confident manner which will stand up against the prospect who may try to overawe or glare him down? Has he the power to work at high tension? Does he like sports? Not vicariously, but as a participant? Is he brightly confident of what life will bring him, or is he slightly sour on human nature and good fortune?

Estimate the "Whole Man"

The answers which I give to myself in this long series of silent questions will tell me the *real* age of the man whom I am interviewing. Just the number of years that he has lived does not give me that, at all, and I would be tremendously interested in seeing the business and professional world take this view of the matter. Science sustains the assertion that our mental ages are not our physical ages, but too many of us still remember Binet and the I.Q.'s used during War time, and we have forgotten that all that has since been shown to be almost as inaccurate as judging a man by his years alone.

It is the *whole* man, however, that the sales manager needs to estimate. Aside from the matter of age and of
(Continued on page 226)

BY

LOIRE BROPHY

Employment Counsellor for Executive
Men in Business,
New York City



Into the Arena in New Haven crowded an average of 7,500 women a session to attend the N. L. S. & M. B. cooking school, promoted in that city by the *Register*. As further proof of its success, note the number and quality of cooperating advertisers, listed at the end of this article.

73 Newspapers Sponsor Cooking Schools in Meat Promotion

SEVENTY-THREE daily newspapers, most of them in cities of 100,000 or more, have opened up new fields of profit in the last twelve months, through a new technique in the handling of cooking school practice and cooking school advertising. They lured a grand total of 528,079 housewives to these "schools." The average attendance per school was 7,234.

Programs and advertising were built around a plan worked out in the main by the National Live Stock and Meat Board, of Chicago, though much of the credit for the advertising plan—unique in some respects—is given to Alfred H. Marchant, advertising manager of the *Boston Post*.

Forty-eight additional newspapers, according to officials of the Meat Board, have applied for the service, which is being handled as a well-organized syndicate campaign. The strength of the plan lies very largely in organization and preparation.

The National Live Stock and Meat Board, amply financed, has the support of the meat packing interests. It might be said to represent the entire meat industry—stock raisers, breeders, market agencies and retailers, as well as the packers. Its purpose is to promote the sale of meats. Its aim is to inject new life into a market jaded somewhat, or more, by the vegetarian cults, food faddists, diet fanatics and other food-isms.

The first step in developing the general campaign was to secure the foremost lecturers on diet and the best known cooking experts available. These are women who have had long experience and training and whose

names command attention in their field.

Preparatory work in the newspapers—feature stories and carefully planned promotion—is started three weeks before the school is opened. The high standing of the lecturers and the value of the lectures are methodically sold to the women readers of the newspapers. Copy and layouts, prepared in advance, are the work of specialists. The advertising is made convincing. The cooking experts become persons in the eyes of the audience of women which is sought.

Usually each school consists of four sessions. Prize contests are held at each session, which work up to a grand prize to be given away on the final day.

Among the gifts that have been distributed are gas ranges, mechanical refrigerators, sets of china, permanent waves, radios, orders on dry cleaning establishments, shoes, millinery, theatre tickets, flowers, flashlights, electric clocks, baskets of food and even paid-in-advance orders for laundry work.

The *New Haven Register*, New Haven, Connecticut, with a circulation of 60,000 in a city of 162,000, filled the Arena, one of New England's largest halls, to the doors for every session. Attendance at each session averaged 7,500. Ten thousand women attended a single session in Buffalo.

Much of the preliminary testing was done through the *Boston Post*, which originated a considerable part of the campaign. Here features appeared in the news columns of the paper every day for three weeks and full-page and double-truck displays in full color were run on Sundays. Vari-

ous meat cuts were shown just as they would appear on the table.

Meat markets and other stores operating meat departments were solicited to support the school, and their names were listed and run as a part of the advertising. The *Post*, the first big eastern newspaper to carry the campaign through, has now aroused so much enthusiasm among retailers that they have clubbed together for an entire year's campaign of meat advertising.

This campaign carries full pages, in color, throughout the year. Reader interest is maintained by the use of contests with prizes. One example is a limerick contest with the usual line to be added. There's nothing new in the limerick contest but it always clicks. A final grand prize is an automobile. The *New York Herald-Tribune* and the *Philadelphia Inquirer* are planning similar campaigns.

"For the first time in twenty-five years we believe in cooking schools," wrote the editor of the *Daily Capital*, Topeka, Kansas, "that is, cooking schools sponsored jointly by your organization and a reputable newspaper."

One woman of some social promi-

Ladies!

POST—TELEGRAM
In cooperation with the National Live Stock and Meat Board

Announces a
**NEW and DIFFERENT
COOKING SCHOOL**

**A FROLIC OF GOOD THINGS TO EAT
AND HOW TO PREPARE THEM**

**MEAT COOKERY
FEATURED**

**COMPLETE
INSTRUCTION**

GIFTS—FUN—PRACTICAL INSTRUCTION
Reserve These Dates—Come to Every Session

Come early
Bring your friends
Practical Recipe

Next Tuesday, Wednesday, Thursday and Friday
November 11-12-13-14-15

Tickets 50c at home
Chicago 10c at 2:00 P.M.

Vigorous advance promotion—beginning three weeks in advance of the school—proves an invaluable build-up. This advertisement appeared in the *Bridgeport Post and Telegram*.

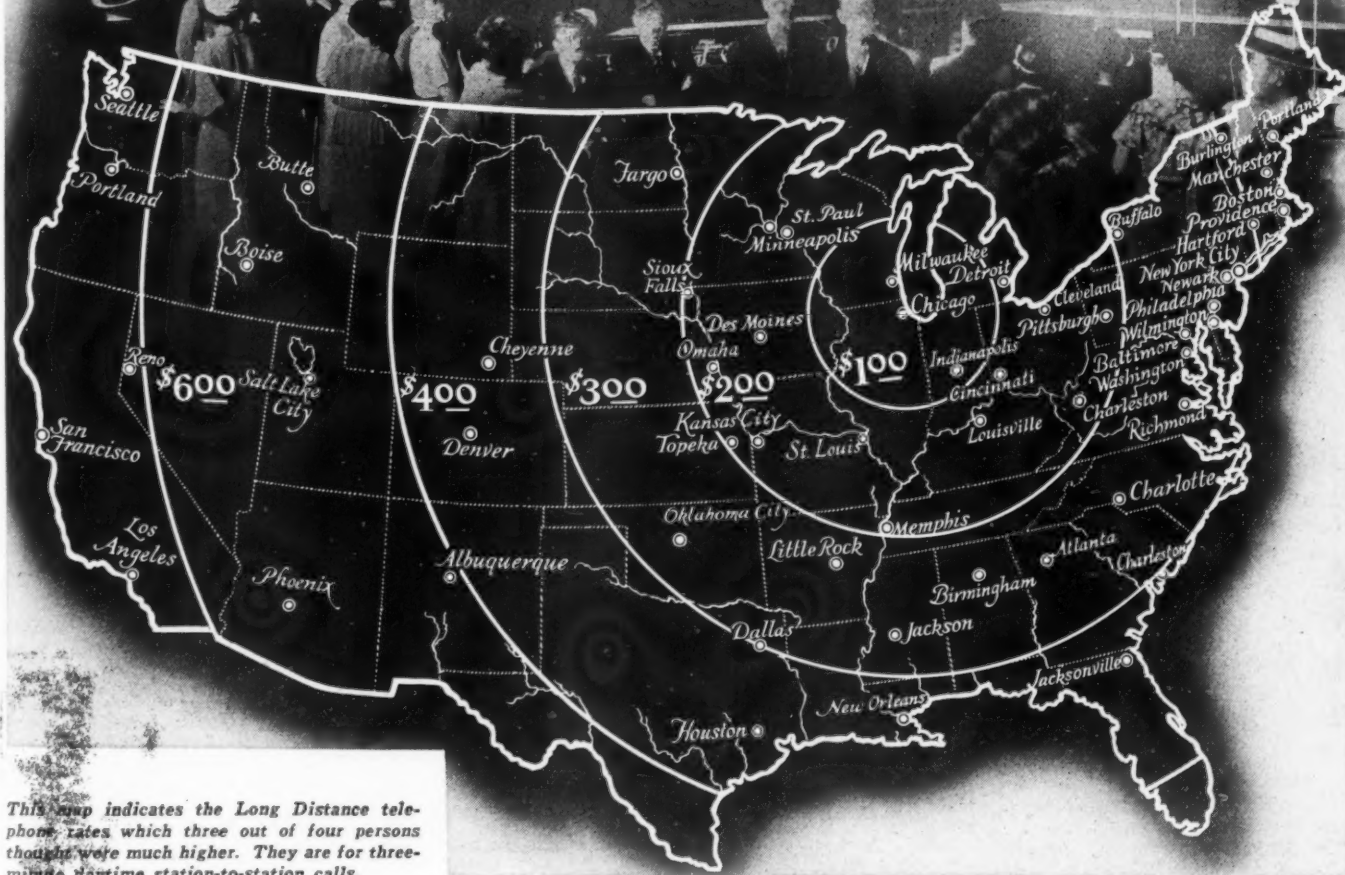
nence in her city sent a letter in which she said:

"I haven't served a broiled steak in twenty-two years because I was afraid I'd spoil it. I had one last night and the family cheered. We'll have steaks often now."

But this should not lead to the belief that the schools emphasize the use of steaks and other high-priced cuts of meat. Much attention is given to showing how to prepare the lower-priced cuts. The housewife is told that these, properly cooked, may do

SALES MANAGEMENT

76% GUESSED HIGH



AT THE Century of Progress Exposition last year, more than 25,000 persons made Long Distance telephone calls from the Bell System exhibit to various cities throughout the United States.

Many of the people did not know what the calls really cost. Three-fourths of those who guessed thought that the rates were higher than they actually are. One-third thought them to be double or more. Almost all were amazed at the low cost of Long Distance calls.

You, too, may be pleasantly surprised at the low cost of telephone calls to other cities. You will find many of the rates in your own

telephone directory and the Long Distance operator will gladly furnish any others. From both your office and home, "Long Distance" is one of the most useful services at your command.

Business men who know the telephone best say it is the ideal way to handle much of their out-of-town business. And there's genuine pleasure in having frequent *telephone visits* with relatives and friends in other cities . . . especially at night, when calling costs even less than during the daytime.

At 7 P. M. each night most station-to-station rates are reduced about 15%, and at 8:30 P. M. about 40%.



excellent service and be popular with all members of the family.

Much of the interest on the part of home makers results from the fact that they are taught how to serve good meats at low cost. The theme is that meats not only develop strength and health, but, wisely selected and knowingly prepared, do not penalize the purse.

In a number of cities the idea has spread until dealers in many other lines have begun to participate in group advertising with their names listed. These already include dealers in bread, milk, mayonnaise, meat sauce, and in gas ranges, refrigerators, laundry service, washing machines, vacuum cleaners, radios, kitchen clocks and other household appliances.

Retail meat dealers and grocers have been organized to sponsor group advertisements and "merchant councils" have been held in advance of the schools in order that they may learn just how to profit best by the enthusiasm and desire that they create.

Advertisers Enthusiastic

Housewives, after their "graduation" from the schools, find themselves in possession of a large variety of recipes and a knowledge of cookery they did not have before. They learn much about balanced diets and the budgeting of food costs. The newspapers find that they have inspired local and national advertisers to fresh endeavor.

As a practical example of what can be done by a newspaper—among the advertisers participating in the New Haven Register campaign are the following:

Wesson Oil and Snowdrift Sales Co.; Loose-Wiles Biscuit Co.; Maggi Co., Inc., (mayonnaise); American Sugar Refining Co.; Domino Sugar Co.; Colgate-Palmolive-Peet Co.; New Haven Dairy Co. (bottled milk); General Baking Co. (bread); Frojoy Ice Cream Co.; Kelvinator Co. (refrigerators); Radio Center; American Coffee Corp.; Salada Tea; Great Atlantic & Pacific Tea Co. (groceries); National Biscuit Co.; LaChoy; Gulden's Mustard; Worcester Salt; Pillsbury Flour; National Sugar Refining Co.; Jack Frost Sugar; Chicago Flexible Shaft Co. (Mix-Master); Fruit Dispatch (Mello Ripe bananas); Lever Bros. (soap); Majestic Laundry Co.; New England Telephone Co.; New Haven Gas Light Co. (gas ranges); Wylie's Glass & China; Sears, Roebuck & Co. (vacuum cleaners); Phoenix Radio Co. (washing machines); Lichter's (dry cleaning); Michael's (jewelry); Steinert's (radios); Oppers' (furniture); Westville Electric Co. (oil burners); Besse-Richey Store (shoes); Washington Flower Shop (flowers); Weibel Brewing Co. (beer); Gittleston & Co. (rugs); Miss Hartung (beauty parlor); Antaki's (linens); Weiss Paint Co. (paint); Roger Sherman Theatre; Vienna Hat Co.; Acto-Acidophilus Co. (ice cream); Paramount Theatre; Sam Schwartz Co.

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"Win a Dollar" Campaign Pulls a Million Suggestions for Seminole

MORE than 100,000 persons have responded to the Seminole Paper Company's "Win a Dollar" campaign, started about a year ago, and these have sent in approximately 1,000,000 suggestions. To win a dollar the writer must suggest some new use for Seminole toilet tissue. Out of the 1,000,000 suggestions, 144 have been accepted to date.

Manufacturers of toilet tissue for years have had the habit of enclosing a small printed slip with each roll. Usually it is little more than a polite invitation to buy the same kind again. H. B. Weil, vice-president and general manager of Seminole, conceived the idea of using the slip to greater advantage.

He caused to be inserted a pink coupon, 3x5 inches, on one side of which was printed the "Win a Dollar" offer. On the other side were "Nine practical uses for Seminole." Each user was urged to send in as many suggestions as came to mind. All new ideas, it was promised, would bring a dollar on acceptance.

With the contest more than a year old, approximately 200 letters are still received daily at the Chicago office, and each one averages about ten suggestions. Every writer gets a letter back at once thanking him for his interest and enclosing a souvenir pencil.

More than 5,000 writers have sent in a second list of suggestions. Each one of these gets a second letter and a second, different souvenir.

Increased Brand-Consciousness

Many of the uses have been suggested time and time again. The dollar, of course, goes only to the first person making the suggestion. In order that the persons trying for the prize may be assured that their suggestions have been received before, each receives a list of accepted ideas.

The list not only gives the suggestion, but carries the name and address of the person who made it and received the dollar. This not only proves that the idea has been offered before, but, it is felt, the contestant is certain to read the entire list carefully. The advantage here is that many new uses for the tissue are impressed upon the mind of the user.

Among the most often repeated suggestions are:

"For cleaning glasses, for cleaning razor blades, for polishing silverware and jewelry, for facial tissue, etc."

Advantages to the company consist mainly, according to Mr. Weil, in the fact that the name, Seminole, is thoroughly impressed on the minds of users. When they buy they are more likely to ask for Seminole rather than to say merely, "toilet paper."

Persistent and continued increase in sales have followed. There are more "car lot" orders from distributors. Salesmen report better general acceptance of Seminole. The public is becoming more familiar with the brand name and product.

This is not the first time that Seminole has employed the "stunt" method of attracting attention. A year or so ago SM told the story of the Seminole Indian headdress. At that time a brightly colored feathered headdress with the word "Seminole" across the head band was given away with each four rolls of paper purchased.

The idea captured the imagination of the youngsters of the land, and in a very brief time more than 2,000,000 of the headdresses were given away.

Direct consumer interest, in the opinion of Mr. Weil, is among the best of advertising methods. He says that he is convinced that the cost of maintaining a staff of correspondence clerks to answer the letters is money well spent.



The tiny camera business goes forward (S.M., May 15, p. 498) after a start that was full of troubles. The Norton camera, at 50 cents, handled at A Century of Progress this Summer, sold over half a million—not to speak of its distribution in other parts of the country. Univex, at 39 cents, has wide distribution through chain and department stores.

SALES MANAGEMENT

National Advertisers Tie Up With Warner Feature Films; Quaker Oats Latest to Try It

NATIONAL advertisers can strongly boost merchandise sales by tying up their product promotion with feature films. That's the Warner Bros. theory. They make it work often enough to prove the point. No other motion picture producer has developed tie-ups with national manufacturers to so high a degree.

The famed coalition of Warner Brothers' picture "Forty-Second Street" with General Electric Refrigerators and appliances last Spring—using a spectacular train load of movie stars and G-E appliances that toured in the spotlight from the Pacific to the Atlantic—was but one recent example. G-E refrigerator sales along the route swelled noticeably.

Just now the tie-up is with Farrar & Rinehart, publishers of the book "Anthony Adverse." The book, to be converted into a feature picture this month, gets an awakened sales impulse that has converted a summer "slump" down to 3,000 copies a week into a rise to about 4,000 copies.

Many Take Part

Not alone is Farrar & Rinehart in on the promotion. The magazine *Photoplay* exclusively announces \$10,000 in prizes for the best selection of actors to be cast for the play. Postal Telegraph brings in several hundred messages per day of 50 words or more from people who would win the \$10,000. As special prizes, Moch, Judson, Voeringer Company, Inc., gives away many pairs of Mojud Clariphane stockings, United Air Lines a trip to Chicago, Ford a car, Tecla a necklace, and each one gets, in return, publicity.

All in all, the merchandise is expected to develop nearly as great dollar sales as the picture.

And now comes Warner Bros. teamed up on a grand scale with Quaker Oats. The film company is about to make Joe E. Brown's "Six Day Bike Rider," to be released in October. Between now and then Quaker Oats runs a national campaign of newspaper advertising to organize "Joe E. Brown Bike Clubs" for kids in every city and town where Quaker dealers will play publicity ball with the local Warner theater.

Quaker Oats gives away bicycles—maybe 1,000 of them—to boys and girls who send in two box tops with a short essay on "Why my mother

wants me to eat Quaker Oats." Winners in each club get bikes. The clubs offer grocers and local theaters lots of chances to stage public bike stunts with the boys and girls. In addition, Quaker Oats and Warner Bros. are furnishing thousands of grocers life-size color cutouts of Joe E. Brown and smaller window pieces for store display. Group advertising activities are urged upon the grocers and local theater men jointly.

Quaker Oats late in August and during the first week of September travels Terry Turner, veteran picture merchandiser through the nation by air to visit theater and grocer groups and give them smart ideas—rouse their enthusiasm.

Quaker is placing \$91,000 worth of newspaper space in *American Weekly*, *Metropolitan Sunday Comics* and 40 separate dailies late this month to give the bike-club idea a good wind-up. After which Warner Bros. lets loose its own heavy promotion for the picture to be released early in October.

All in all, the Quaker Oats combination is typical of what Warner Bros. does in a merchandising two-way promotion. It picks a feature picture, offers one or a dozen national advertisers a tie-up, works out a contest, lends actors to the advertisers for their own promotion, and builds up to the first release of the film.

Tie-Ups Work Two Ways

"Our idea," S. Charles Einfeld, advertising head of Warner Bros., tells SALES MANAGEMENT, "is to prepare with an advertiser a scheme that works just as much to his advantage as it does to ours. Our company has created a special department for the development of such tie-ups. It has pursued a definite policy of working with important nationally advertised products. We have religiously avoided the mass of small advertisers who for years have capitalized on the endorsement of movie stars with ultimate injury to both stars and the motion picture business. Only in instances where a rational copy angle is evolved and where complete good faith obtains on the part of both the picture company and

VOTE BY POSTAL TELEGRAPH FOR YOUR FAVORITE CAST IN "ANTHONY ADVERSE"
 Postal Telegraph
 THE INTERNATIONAL SYSTEM
ANTHONY ADVERSE BALLOT
 Before you fill in the ballot, read the following instructions: In the blank space opposite each character write the name of the star you would like to see play the part.
 In the space with a message (up to 50 words) containing only your chosen Character No. 1 to play the part of Anthony Adverse.
 Name _____ Address _____
 REAR COMPLETE DETAILS IN PHOTOPLAY MAGAZINE BEFORE VOTING

ANTHONY ADVERSE	1	WILSON	7
NAPOLEON BONAPARTE	2	H. A. GUYARD	8
CARLO GINO	3	GERONIMO WOLFE	9
BROTHER FRANKLIN	4	JOHN BOWEN	10
AMANDA BRUNO	5	EDITH PAVLOVSKY	11
VINCENT HUSTE	6	JOHN LEE	12

Postal handled thousands of contest entries by wire on these special blanks in the Farrar & Rinehart - Warner Bros. tie-up.

the agency, are tie-ups really successful. We reserve this cooperation for dependable agencies handling national accounts."

Warner Bros. helped create Studio Styles, Inc., New York, which merchandises the women's clothing ideas created for each picture by Orry Kelly, Warner Hollywood designer. Bender & Hamburger, New York, produce all the dresses, someone else will produce the hats, and so on down the line, each product getting a tie-up in stores with the picture in which the clothes are worn.

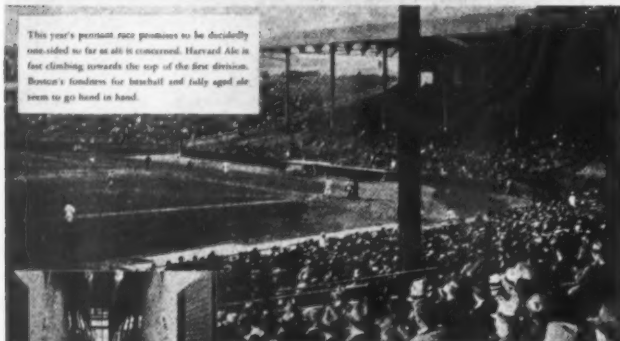
Enna Jettick Shoes Revive Selling Campaign for Fall

Enna Jettick Shoes, Inc., back on the air and back in national magazines after 18 months, is providing dealers everywhere with sales stimulation which Grey Advertising Service, New York, expects will result this Fall in the biggest local newspaper effort Enna Jettick dealers have ever made.

This year Grey furnishes them with mats that speak for the dealer, not the manufacturer; a window display service flexible enough to be usable in any size by any type store appealing to any group of people; a style advisory service; bull's-eye booklets for direct mail; the company's monthly magazine, "The Enna Jettick Retailer." The whole merchandising campaign is expected to rouse dealers to fresh efforts, partly because the line now includes bright style appeal as well as comfort.

"America's smartest walking shoes" started Dennis King, singer, on NBC's Blue network August 22 for at least 13 weeks. The magazine schedule calls for one or two pages each in *Saturday Evening Post*, *Vogue*, *Woman's Home Companion*, *Ladies' Home Journal* and *The Instructor*, with probable extensions into the winter.

BASEBALL FANS STRIKE OUT "GREEN" ALE



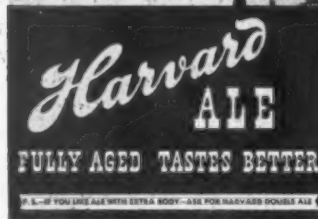
In aging capacity of glass barrels—here in the building a whole Harvard Ale is aged. The Harvard Brewery has the largest aging capacity in New England—while constantly improving quality for the brewing of ale and beer.



"There are I tell you ale from both sides and still a strong ale who grow up during Prohibition days. You, exclusive drinkers, the beverage, 'if you were born in New England, you are naturally born. Try a glass of Harvard ale and you will see what we go back to any other brand'."



Localiza-
tion of copy and
splashy rotogravure
type of makeup in-
sured attention
value for the Har-
vard ale campaign.
Practically every
newspaper in Bos-
ton is being used
as Harvard fights
for its share of the
1,200 licensed beer
outlets in the land
of baked beans.



Newspaper Advertising Doubles Harvard Ale Sales in 2 Months

NEWSPAPER advertising, in dominant space whose copy theme has sold the appeal of fully aged ale, is carrying Harvard ale ahead in Boston and the surrounding territory against two well-entrenched competitors. The campaign was released June 1, and so swift was the response that July sales more than doubled—almost tripled—sales in May.

Harvard, last spring, found itself with a rather curious mixture of assets and liabilities. Among the assets were a brand name carrying over from pre-Prohibition days a sizable amount of good will; there was also the fact that Boston is naturally an ale—not a beer—market, a characteristic which hadn't been altered with the years. And there was the fact that the company had equipped itself with the largest capacity for storing ale—approximately 46,000 barrels—of any brewery in the Boston area.

Among the liabilities were the handicaps of having arrived late in the ale-selling field after Repeal; two competitors had sewed up most of the 1,200 licensed beer outlets in Boston

and, between them, were doing the lion's share of the business. Both had been advertising for some time—effectively. There was also the fact that, as yet, few persons who call for draught ale specify a brand—one problem that worried other ale sellers as much as Harvard.

Harvard sales executives took members of the Hoyt Advertising Agency staff into a huddle with them, showed them barrels of mellowed ale made under the expert directions of Brewmaster Dr. Richard H. P. Juerst. With competitors so well entrenched, it was obvious that no ordinary sales and advertising tactics could be employed to win adequate representation for Harvard ale among the draught-ale outlets in Boston. (Approximately 75% of ale and beer business is draught business—25% bottle business.)

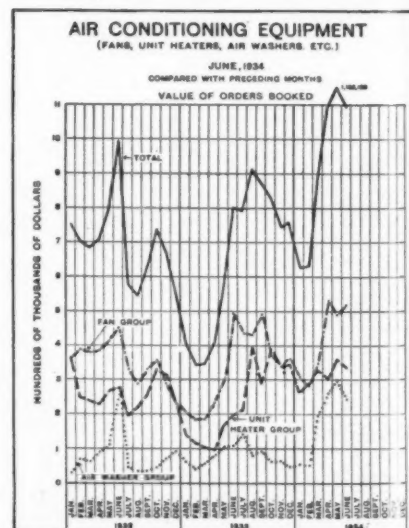
The major sales point in favor of Harvard ale seemed to be its distinctive flavor developed through proper mellowing. If only this point could be put over dramatically, vividly . . . so it would make people talk a little. And so was born a newspaper campaign—re-enforced with high-spot

painted bulletins—which, within a few short days, put the phrase "green ale" on the tip of many Boston tongues. Ten hundred to twelve hundred lines were used in the *Post*, the *Globe*, the *Herald*, the *Traveler*, the *Record* and the *American*, with copy localized to Boston, and large photographs in rotogravure style. "Thumbs Down on 'Green' Ale! Say South Station Commuters"; "No More 'Green' Ale Declare Boston Sport Fans" and similar headlines emphasized the aged-flavor story of Harvard.

Insertions ran once a week, dropping to 600 lines after the initial period. Territory was expanded to include the Merrimac Valley, Worcester and Hartford. Salesmen took the story to dealers, and by August 1 had already won half of the 1,200 licensed outlets.

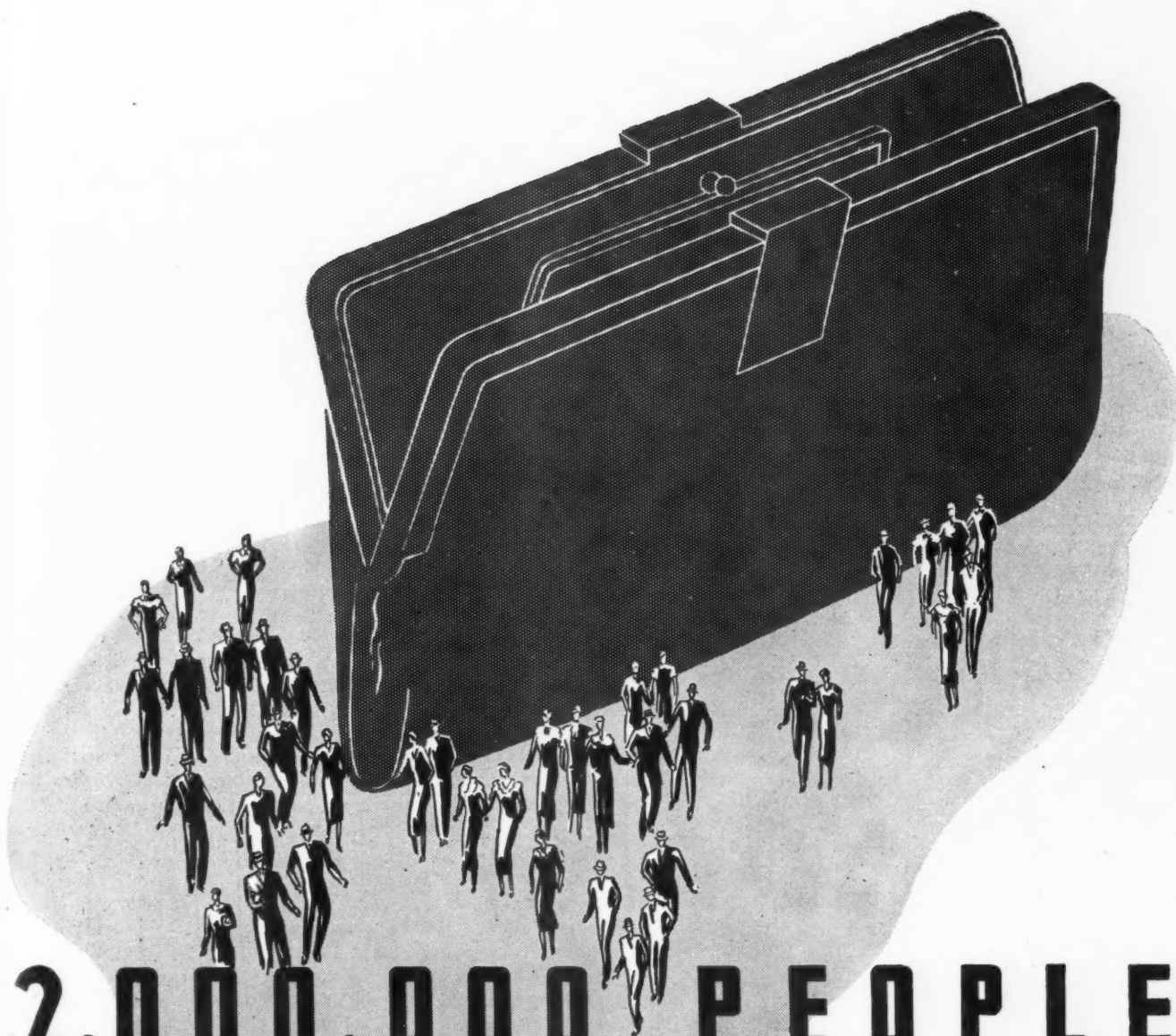
No small competitive rumpus was kicked up by the "green ale" idea, other ale sellers in the same territory complaining that the copy was "destructive." Harvard, however, could see little difference between plugging the idea of fully aged ale and plugging the idea of fresh dated coffee. The only change in approach of the advertising copy after the first series of insertions was a switch to the positive statement from the negative; typical recent headlines: "Fully Aged Ale Bats 1,000%" (with baseball park picture tie-up), and "Vacationists Acclaim Fully Aged Ale."

Next step in the sales plan is the distribution of identifying signs among dealers. Newspaper advertising continues.



The predictions which were generally made several years ago that air-conditioning might be the new industry which would lead the country out of the slough of the depression, is still far from being realized, but nevertheless the industry shows great possibilities.

Government figures show that the volume of sales is now running well over \$1,000,000 a month.



2,000,000 PEOPLE

*with money
to spend*

Markets are people, yes. But good markets are people with purses.

There are over two million people in the Indianapolis Radius . . . and they have real buying power.

The Indiana Gross Income Tax Reports show that in one year the retail purchases made by this great buying group total *nearly a third of a billion dollars**!

To sell this profitable market you need *only* The Indianapolis News—the newspaper that has held a unique place as the favorite home newspaper of the Indianapolis Radius for 64 years.

*Estimated for the year 1933 at \$325,000,000 from the Indiana Gross Income Tax Reports for the last eight months of last year.

THE INDIANAPOLIS NEWS

SELLS THE INDIANAPOLIS RADIUS

New York:

Dan A. Carroll, 110 East 42nd Street

Chicago:

J. E. Lutz, 180 N. Michigan Ave.

SEPTEMBER 1, 1934

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New York State Speeds' Up Its "Drink More Milk" Campaign

New York State's \$500,000 advertising campaign telling people to "Drink more milk; it's good for you" is expanding as the campaign heads toward its apex at the middle of October. This unusual sales effort by a state government broke into newspaper and local magazine space within the Empire State July 12 and has gained momentum since. During October it will employ every newspaper in the state. Tie-ups of every sort have been made by clubs and companies, all striving to get more people to drink milk.

GIVE YOUR BRAIN

A

CHANCE!



Heavy foods slow you up... Build your luncheon around a bowl of "half-and-half"... and note the difference in your business day!

● EVERY time you eat a heavy luncheon, you dash your headquarters from your brain to your stomach.

The process of digestion draws blood away from other parts of the body. The bigger the job, the more blood is required. A heavy outdoor meal takes so much of it, that your head is robbed of its due supply for most of the afternoon.

Give your brain a chance! If you use your head to working hardest, you'll be able to see it afterwards, on milk. Build your ability and

around a big bowl of "half-and-half"—a half milk and half cream—plus any other light dishes and desserts that appeal to you. This will give you more than enough energy, but not discomfort.

The words in this article is the best and most convincing food that you can get. It has come out of the experience, is common generally all of the food districts across the human body needs—no higher oil-contents than that other food. It builds your, bone, muscle, and tissue. In fact, it's amazingly good for you!

The lesson are that every child should be given a glass of milk a day. (Children ought to have a glass of milk.) Make this a part of your personal philosophy... but for business efficiency and you are good health. British news said!

Drink more Milk: IT'S GOOD FOR YOU

THIS COUNTRY'S MILKMASTERS ARE GUARANTEED BY AGREEMENTS OF THE AMERICAN DAIRY FARMERS' ASSOCIATION. THIS ASSOCIATION IS COMPOSED OF THE DAIRYMEN AND FARMERS. IT IS ONE OF THE OLDEST OF THE GUARANTORS OF QUALITY AND STANDARDS OF ALL COUNTRIES OF THE WORLD TO BEYOND THE ATLANTIC OCEAN. THE USE OF MILK IN THE PUBLIC IS ALL BE BASED ON THIS ASSOCIATION.



Newspaper copy starts New York's milk campaign, using the health appeal.

Thus New York became the first governmental agency to fight depression by advertising. The state advertisements are signed with this explanation of the whole promotional enterprise: "This advertisement is prepared and inserted by authority of the State of New York. To build better bodies for its citizens of all ages and classes; to help prevent and correct widespread malnutrition among children, the State of New York is urging increased consumption of fresh milk. Because both the public health and the State's leading industry will be served thereby, this effort is sponsored by the Governor and the Legislature. It is under the direction of the Department of Agriculture and Markets, and all expenses of the campaign are borne by the milk industry. The cost of milk to the public will not be increased on this account."

Getting the campaign under way

has been a huge job for the N. W. Ayer & Son agency. Dealing with a state government is one thing; dealing with a client accustomed to doing an advertising job is another. Everything had to begin at scratch. A State Milk Publicity Bureau, to spend \$50,000 of the \$500,000 fund, has been created, and has started its work of getting all the cooperation that can be had from governmental agencies and of coordinating the activities of industrial

GE Starts New Appliance Display Plan With "Ten Best Servants"

General Electric Company is trying to solve one of its great merchandising problems: Telling people where to buy GE merchandise. Heretofore various items in the line have been sold through various outlets—refrigerator display-rooms, electrical shops, department stores, hardware stores—but no one store carried them all. Now the company is beginning to cover the country with "GE Ten Best Home Servants" display rooms—each an exclusive General Electric store; each showing the whole line of the company's home appliances

The first of the GE Ten Servants stores has been opened by Rex Cole, Inc., in the General Electric building in New York City. It is considered a glorified example of what other distributors of GE appliances who set up the GE Ten Servants plan can do with their own display rooms.

While the Rex Cole store features the GE Ten Best Servants—refrigerator, range, dishwasher, clothes



The first store in which "Everything General Electric Makes for the Home" is shown—the Rex Cole store in New York.

groups, bankers, publishers, radio stations, milk-distributors, women's clubs and the like.

The goal of the campaign is to raise New York State's milk consumption from a fraction of a pint per day per capita to one pint for adults and one quart for children. The campaign fund is produced by a tax of one cent per 100 pounds of milk—about 47 quarts—paid by producers and distributors.

Thus New York State, instead of plowing under a crop surplus, attempts to get everyone to benefit by it through strong advertising and selling.

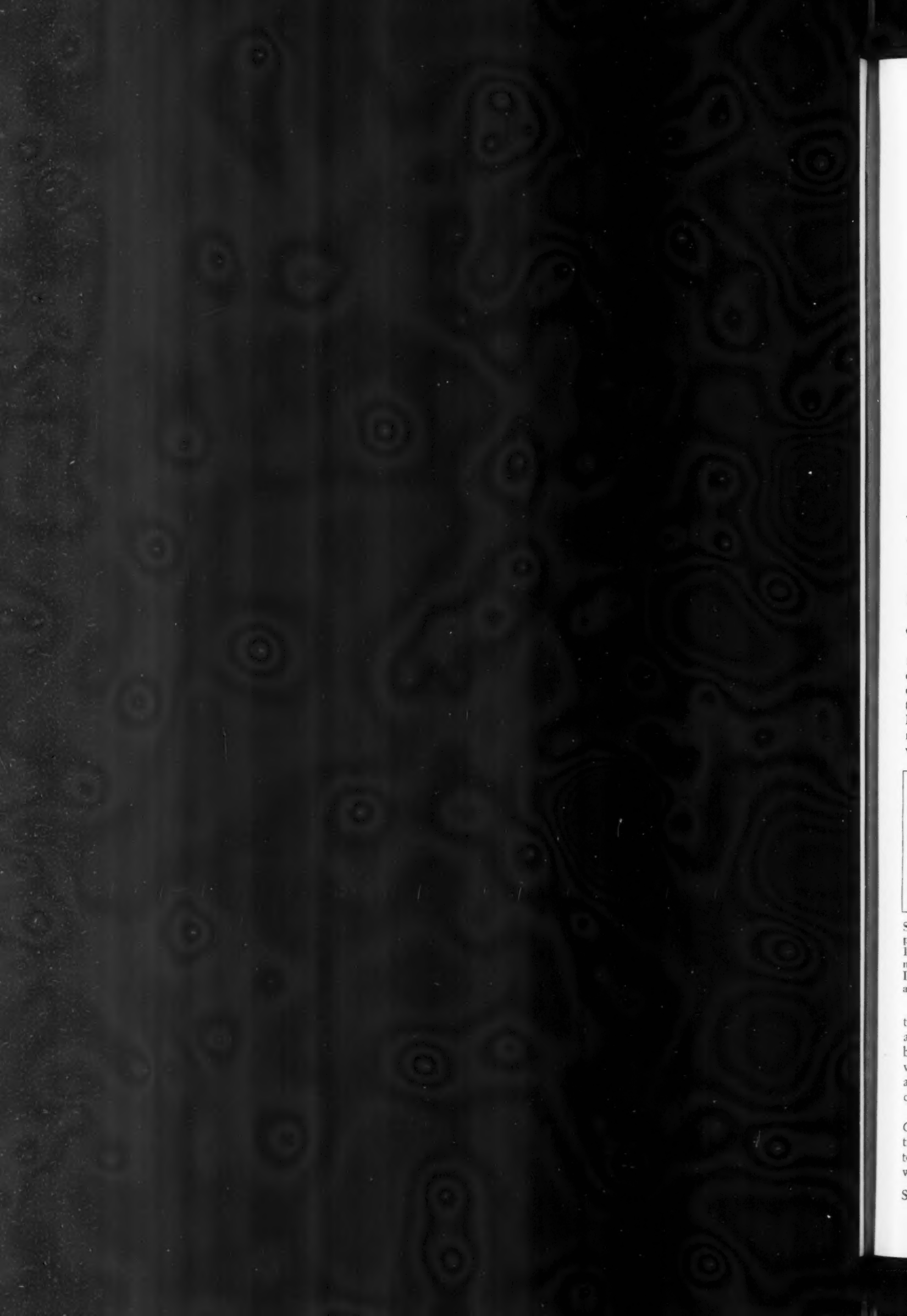
washer, flatplate ironer, electric cleaner, radio, water heater, oil furnace and Mazda lamps—it also displays every other appliance made by the company for home use, air-conditioners, such as toasters, coffee makers, drink and batter mixers, electric razor blade sharpener and many other electric devices. The General Electric kitchen, combining range, dishwasher, and refrigerator, gets an especial play in the showroom.

The store has been strikingly planned and decorated to provide an appropriate setting for this exhibit of 20th century electrical wonders for the home. Victor Covkin designed it in general. The color scheme is by C. M. Baumgras, Jr., architectural colorist for the Marsh Wall Tile Company. Lighting fixtures are of a new type combining both direct and indirect lighting. Rex Cole himself had a hand in their development when he was president of the Miller Lamp Company.

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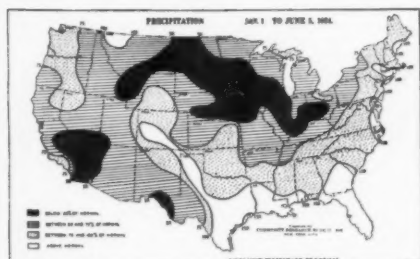
Higher Prices More than Offset Farm States Drought Damages

This is the most important conclusion which must be drawn from this critical appraisal of the actual effects of the drought. Drawn from many sources, the facts presented here give marketing executives an unbiased basis for planning and forecasting probable sales in the states most affected by heat and lack of rainfall this summer.

Edited by
PHILIP SALISBURY
Executive Editor, SALES MANAGEMENT

IS the drought a national calamity which will set back our national recovery by at least two or three years—has it been played down or played up by politicians and headline writers—is the drought area so hard hit that intensive sales efforts in the section would be folly this Fall? Business men, and especially marketing executives, are asking these and other allied questions.

SALES MANAGEMENT has tried to find out. The editors had no preconceived notions, no interest in learning other than the truth—all of the truth that could be learned. When Mother Nature steps in to change man's planning there can be no predictions which are infallible. What is truth



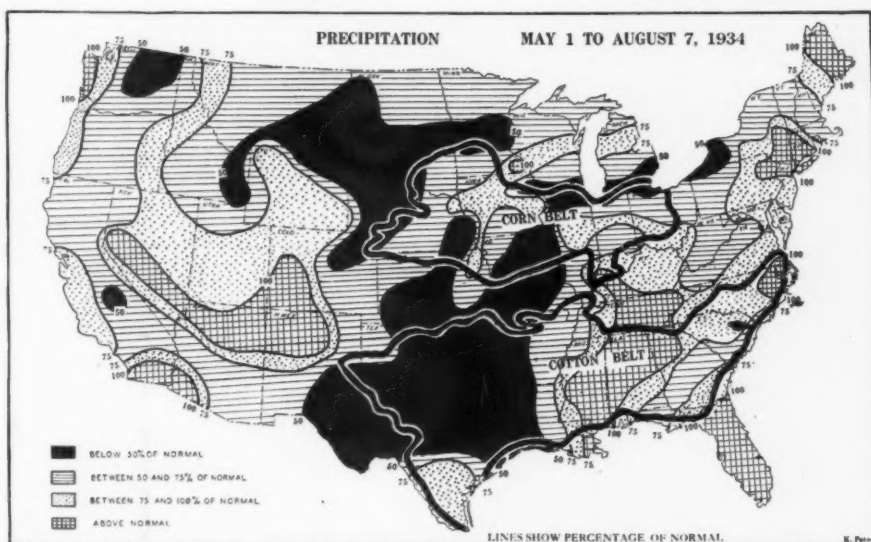
Some sections have improved since we published this map in the issue of June 15; the bad area in California has almost completely disappeared. Ohio, Indiana, Illinois, Southern Wisconsin, and Northern Iowa have had beneficial rains.

today may be a falsehood tomorrow, and yet the heat and drought have been with us so long that today's inventory of facts must be far more accurate than one made, say, sixty days ago.

A record compiled by the editor of *Country Home* offers conclusive proof that short crops bring a greater return to the farmer than bumper crops. It was true in 1881-1890-1901-1904-

000,000 as against \$273,000,000 for wheat. Hogs and corn together bring the farmers only 63% as much as dairy products. The cash income from dairy products this year will be \$200,000,000 greater than last year.

The chief burden of the drought will be borne by railroads, processors, middlemen and city consumers. Food will cost the consumer more, there will be less of it for the railroads to haul. It seems almost a paradox to say that the drought will affect the



Copyright Commodity Research Bureau, Inc.

Since June, when the smaller map was published, the below-normal black area has moved further South. Early rains in the Pacific Northwest assure decent crops despite the current black spot. Montana and the two Dakotas remain the worst-hit. Except for two states the cotton South is in excellent shape. Kansas, pictured by many lazy headline-readers as a desolate waste, will show the largest income gain of any state in the Union. See income tables, page 210.

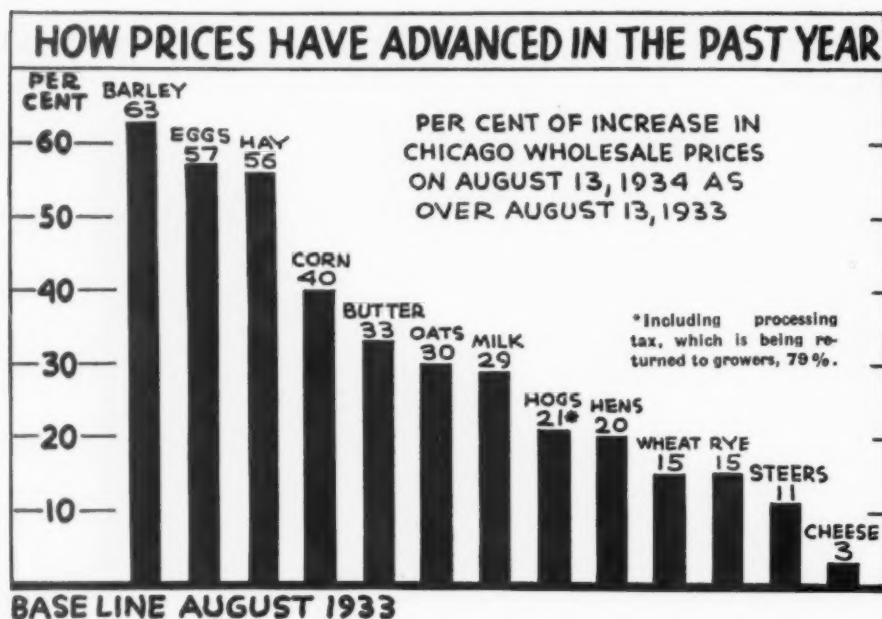
1911-1916-1925. Higher prices more than compensated for the lessened production. A study of these crop-failure years shows that the price advance usually is slow in starting, and reaches its maximum point in September, when farmers are marketing their grain.

Another point which is not generally recognized is that the products most severely affected by drought are not those which produce most of the agricultural income. Much has been written about the poor wheat crop—and yet in any normal year dairy products contribute more than three times as much to the total farm income as wheat. (Estimates this year are \$390,000,000 for wheat and \$1,330,000,000 for dairy products.) In the three years 1931-33, poultry averaged \$302,-

industrial population more severely than the farmers, but such seems to be the case.

In compiling the information about the drought and the drought states which follow, the editors have gone to many sources. The official bulletins from Washington have been read and checked; the Washington editor has spent many hours in the Department of Agriculture studying charts and figures and questioning the officials; Ross Federal field workers in leading cities throughout the drought area have cooperated with our own editorial staff in querying more than a hundred bankers, manufacturers, newspaper men, farm paper editors, leading wholesalers and retailers; the facilities of such statistical organizations as

(Continued on page 210)



Prices of leading grain crops and livestock are sufficiently high to more than equalize the lowered production. This is true also of cotton. Furthermore, the drought has been world-wide, and both the world and American carryovers from previous years have been cut down, thus promising good prices to the farmers for some time to come. The chart is reproduced through the courtesy of editors affiliated with the Midwest Farm Group.

The Drought—Blessing or Calamity?

THE earlier reviews of the drought situation were practically unanimous in proclaiming a national calamity. Such reports were based on inadequate facts and emotional reactions. Sufficient data are now available to analyze the drought results objectively. Instead of being catastrophic in nature, adversely affecting the entire United States, it is now agreed by most economists and statisticians that farm income this year will be in excess of that of 1933; and, considering the nation as a whole, there will be more beneficial than harmful results derived from the drought.

In this study we are primarily interested in farm income and how the various sections of the country will be affected by the drought. Total farm income this year, excluding relief and benefit payments, will be considerably in excess of the 1933 farm income. Various estimates have been published recently, all of which show an increase over a year ago. Some of them indicate an increase of \$500,000,000 while others run as high as \$2,000,000,000 in excess of 1933. We believe that the most conservative esti-

BY

JULES BACKMAN

and

A. L. JACKSON

Vice-Presidents, Economics Statistics, Inc., New York

Economics Statistics, Inc., is a depression-born organization which now numbers among its clients nearly every important New York bank and brokerage house, and many industrial corporations, such as International Harvester and General Motors. During the past eighteen months the organization has been unusually accurate in forecasting business trends through application of demand-supply factors. Their records of prices—purchasing power—production—inventories—enable them to tell the relative degree of equilibrium in every important industry. The concluding paragraphs in this drought analysis will come as a sensation to most business men.

mates are those of SALES MANAGEMENT, The National Industrial Conference Board, and our own, which ranges approximately \$1,500,000,000 in excess of that of a year ago.

Some analysts go further and also advocate that industrial income will increase. The important point, however, is whether or not industrial income will keep pace with the cost of living. If the cost of food, clothing, rent and the other various factors which enter into the cost of living increases at a faster rate than a worker's income, his purchasing power is curtailed.

In recent weeks we have seen the evidence as to what effect the drought will have upon food prices. These prices have advanced at the fastest rate recorded in peacetime. To those individuals whose income has remained unchanged or whose income has been reduced, and to the unemployed, this rise in the cost of living will result in a further reduction of their actual purchasing ability. Therefore, the only groups of the nation which would benefit by the rise in the national income would be that percentage of the farm population whose crops were not destroyed and who, therefore, would receive an exceptionally large income. These individuals will be able to meet the rising cost of living and prosper. Other individuals will suffer. Therefore, it is questionable whether the purchasing power of the nation as a whole will be improved by this drought situation. We must await further developments concerning the cost of living and the trend of industrial payrolls.

Calamity for 17 Per Cent

Granted that farm income for the nation as a whole will be higher this year than last, there are a number of questions that now arise. Will this income be distributed fairly equally throughout the farm population or will there be an undue concentration among the fortunate few? A recent survey indicates that sixteen states were seriously affected by the drought and a number of counties of six additional states were in need of secondary relief. It is estimated, also, that slightly over five million people or 17% of the farm population were heavy losers. Some of them were affected by the losses from both grains and livestock; the loss in other states was primarily due to the forced sales and slaughter of livestock only.

The two states most seriously affected are North and South Dakota. Here the grains and feedstuffs were reduced by approximately 50%. Due to the shortage of feedstuffs and water

SALES MANAGEMENT

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supplies approximately 50% of the cattle in these two states were also disposed of. It was necessary to take whatever price was offered for these cattle. Direct income from the sale of crops and livestock for those two states during 1934 will be little more than half of that of 1933.

Grain Income to Increase

The grain situation is much different from the cattle situation. We find that the total value of all grain produced this year will be only about \$125,000,000 less than the crop last year. This reduction will be more than offset, as far as the farmer is concerned, inasmuch as surpluses, which in previous years had remained on the farm, will be removed during the next twelve months at relatively high prices. Therefore, the farm income of the nation derived from grains this year will be considerably in excess of that of a year ago.

It has been asked, "what sections of the nation will suffer and what sections will benefit from the effects of the drought." The following facts will help to settle this question:

As far as the total grain picture is concerned, the Chicago Federal Reserve District, which includes the states of Wisconsin, Michigan, Iowa, Illinois, and Indiana, is the most important. In this district we find that the wheat crop was only 2% below that of a year ago; the corn crop was about 12% below a year ago; and the oat crop was approximately 33% below a year ago. The Chicago district, however, produced a larger percentage of this year's total grain supply than was the case a year ago. The rise in prices alone much more than offsets the decline in volume noted above. Furthermore, farm stocks carried over from previous years in the Chicago district amounted to 61 million bushels of wheat. (Stock figures on other grains are not available.) It is estimated that these stocks will be entirely depleted during the next twelve months. This indicates a substantial increase in farm income received from grains in this district.

The Minneapolis Federal Reserve District (which includes the states of North Dakota, South Dakota, and Minnesota) was more severely affected than any other district. Here the wheat crop was reduced by approximately 50%; the corn crop was sharply curtailed and the oat crop was reduced by about 25%. Here, also, there are very small supplies of wheat left on the farms from previous years. Wheat stocks in this division amounted to 17,091,000 bushels as compared with 32,396,000 bushels a year

ago. It can be concluded, therefore, that the income from grains sold in this section this year will be only about 50% of that a year ago. (However, it must be remembered that the major proportion of the Government relief fund is being distributed among the farmers of this section. Furthermore, the income from dairy farms, for which Minnesota is important, will be improved.)

The Kansas City district, which is third in importance as far as grains are concerned, covers the states of Nebraska, Kansas, Colorado, the northern part of New Mexico and Oklahoma. Here we find this year's wheat crop exceeding that of 1933. The corn crop was approximately 15% below last year, while the oat crop, which is relatively of little importance in this section, was reduced about 40%. Stocks of all grains held on farms within this district, however, are very large. Farm income from this district derived from grains, therefore, should be in the neighborhood of 35 to 40% in excess of that of last year. The St. Louis district—covering the states of Missouri, Kentucky and Arkansas—is also an important grain producing section. Here we find the wheat and corn crops slightly in excess of that of 1933, and the oat crop, which is relatively unimportant, about 35% below last year. Here, also, stocks held on farms are large. Stocks of wheat are below those of a year ago, while relatively large inventories of both corn and oats are being carried over. This district should also show farm income 10 to 15% in excess of that of a year ago. Due to the much larger crops of wheat and oats raised in the Dallas district this year, farm income from grains of this district is also expected to increase, despite the slight decline in corn production. (Statistics of this nature are not available for the other districts.)

Will Farmers Get the Higher Prices?

The statistics mentioned above also answer the important question: "Will the farmers receive the full benefit resulting from the higher prices?" The answer is "yes," because stocks held on farms, as indicated above, are relatively high and only small portions of the crops in these sections have been marketed. Intermediate parties will also benefit to some extent, inasmuch as the visible supply (grain moved out of farmer's hands) prior to the current crop was about normal. The holders of these stocks will also benefit by the higher prices. The above facts indicate that the Kansas City district will benefit most; the St. Louis district will be

second; and the Chicago district, third. The Minneapolis district will suffer greatly. However, the population within this district is a very small percentage of the nation's farm population.

It is now possible to indicate what effect the drought will have upon business conditions in general. We know that the total farm income for 1934 will be substantially higher than in 1933 and we know that the Federal Reserve Districts of Kansas City, St. Louis and Chicago will receive the most benefit. In these particular sections the income will be so much improved that sharp gains should occur in sales of farm equipment, automobiles and retail trade in general during the next few months. In the Atlanta and Dallas districts the increasing of the cotton loan value to 12 cents a pound is likely to have an immediate beneficial effect. In the farming sections of the districts of San Francisco and Cleveland, where the farm income will be little changed from that of a year ago, we can expect sales of farm equipment, automobiles and trade in general to hold their own as compared with a year ago. In the district of Minneapolis, sales of farm equipment, automobiles and other such items may be sharply curtailed. Here, however, sales of merchandise in general should only show at the worst but a slight reduction as compared with the past year, because the major proportion of the Government relief fund will be distributed in this section, making it possible for the purchases of merchandise, particularly necessities, to be made as usual.

The Net Result: Favorable

It still remains a question as to whether or not the purchasing power of the nation as a whole will be improved as a result of the drought. At the present time it seems that the increase in the cost of living resulting from higher food prices will adversely affect manufacturers and manufacturing employes to such an extent that the improvement in farm income may be offset. However, if finished goods prices do not rise in the same proportion as farm income, the increased demand for finished goods will increase industrial employment and total payrolls. This would tend to offset the anticipated rise in the cost of living of the manufacturing classes. We believe that finished goods prices will not increase enough to restrict consumption because of the strong competition among manufacturers and the interest of the Government in protecting the consumer against exploitation. *It appears, at present, that the net result of the drought will be favorable.*

Sales Reports from Drought States Show Generally Healthy Condition

MR. AVERAGE MAN who lives outside the drought area seems to have the idea that between the Alleghenies and the Rockies we have a new Great American Desert. He reasons, therefore, that if all the crops are shriveled and brown, and all the livestock dead or dying, there cannot be any business going on in that vast section. The facts show that his conclusions are as cockeyed as his premise. From reports compiled by Brookmire, Inc., we have made the following digest of actual conditions in the sections which produce most of our crops and livestock:

Central Manufacturing

(Ill., Ind., Mich., Ohio, Wis.)—Estimated incomes in this section of the country for the coming six months are 19% ahead of those months last year. This is the best showing of any section of the country. Bank debits in June in these states increased 5% over May, and 23% over last year. New life insurance written in June was 7% less than in May but 10% above last year. The five states show automobile sales of 57,275 cars in June, which was an increase of 5% over May, and 33% over a year ago. Department store sales in the Chicago Reserve district in June were 10% above last year; in the Cleveland district they were 18% above. Best sales prospects in the country are still in this district.

West Central Agricultural

(Iowa, Kans., Minn., Mo., Nebr., N. Dak., S. Dak.)—Estimated incomes in this section during the next six months, despite the drought, are indicated 16% larger than in similar months a year ago. Due principally to an estimated increase in farm income, Kansas incomes show the largest gain over last year with an increase of 32%. Bank debits in June gained 6.5% over May and 6.1% over last year. New life insurance written in the district amounted to 16.5% more than a year ago. June sales of automobiles totaled 20,022 units, which was 12.7% less than in May, but 8.8% above last year. Rental sales in Minneapolis Reserve district in June showed a gain over last year of 6% compared with a 14% gain in May. The Kansas City district showed a gain in June over last year of 12%. After the immediate hysteria of drought condition wears off and strikes are settled, trade conditions will again pick up over a large part of the district.

Southeast Agricultural

(Ala., Fla., Ga., Ky., Miss., N. C., S. C., Tenn., Va.)—The next six months is estimated to show increased incomes over corresponding months a year ago of 10% in these states. Drought in midwest will benefit vegetables and truck growers in this section, especially in Florida. Retail trade in this area in June continued to show the best increases over last year, with Atlanta Reserve district recording a gain of 33%, and the Richmond district 21%. This

latter figure was exceeded only by the Dallas district. June check payments were 19% higher than a year ago. All states in this area show June sales of automobiles 4% below May, but 45% above last year. Income prospects no longer indicate as great increases in trade as prevailed over the past year, though a well-sustained volume of business is probable.

Southwest Agricultural

(Ark., La., Okla., Tex.)—We estimate the coming six months to show an increase in incomes of 14% over those months a year earlier. Estimated cash farm income for the 1934-35 crop year is placed at 740 million dollars in these four states, which is a gain of 12% over last year. An increase in the cotton allotments in Louisiana under the Bankhead bill relative to last year's production is principally responsible for increasing this state's estimated farm income. In Oklahoma estimated income from cotton is reduced 10 million dollars from last year, but this is mostly offset by increased estimates of wheat income. Texas cotton income is estimated about 5 million dollars lower than last year, while wheat income indicates an increase of 17 million dollars. Check payments in June were 19.8% above last year; new life insurance written was 15.7% above. Automobile registrations in these four states during June totaled 19,330 cars, which was 7% above May, and 61% above a year ago.

Rocky Mountain

(Ariz., Colo., Ida. Mont., Nev., N. Mex., Utah, Wyo.)—Estimated incomes in this district during the next six months are placed 11% higher than in similar months a year earlier. All states show gains not far from the district average. Bank debits for the district were 3.7% above May, and 23.6% larger than last year. New life insurance written gained 43% over May, and 58% over last year. Electricity production in May led the country as to gains over last year with an increase of 20.4%. Automobile sales in June held reasonably well, being only 2.7% below May. Relative to a year ago they were 54% higher. Trade prospects do not promise to be better than fair.

Pacific Coast

(Calif., Ore., Wash.)—Next six months incomes estimates indicate an increase of 17% over the same months a year previous. The recent culmination of the long-shoremen's strike, which continued through most of July, has created a vigorous retail and wholesale business. Better business can be expected from August through the winter. June debits were 7.8% above May and 9.6% above last year. Life insurance written during the month was 16% above last year. May electricity output was 5.2% above April and 14.7% above last year. There were 16,201 automobiles registered in June, which was 12% higher than in April and 14% above a year ago.

Iowa, for Example

It would be a mistake to generalize about the effects of the drought. As

pointed out elsewhere, it has been a calamity to some farmers, a blessing to others. It has hurt some states more than others. Sections of states are in bad shape, others have normal crops. This differentiation between states and sections of states is brought out forcefully in this letter to SALES MANAGEMENT from J. S. Russell, farm editor of the Des Moines *Register and Tribune*, and a practical farmer:

"Iowa is on the edge of the drought area. About three-fourths of the state escaped severe drought, about one-fourth of the state was badly damaged.

"The drought in the other cornbelt states has been so severe, however, that prices of corn and other major Iowa products have gone shooting skyward. The experts now believe that Iowa farmers, even with a short crop, will have as great purchasing power, or greater, than in recent past years.

"Corn is a good example to illustrate this:

"In 1932 Iowa had the biggest corn crop in its history, yet the price was so low that the Iowa farmers got little more than \$50,000,000 when the crop was all harvested.

"In 1934 (this year) the government's latest crop estimate places the Iowa crop at 261 million bushels. The present price of corn is 65 cents per bushel. If this price holds, the Iowa crop, even though reduced by drought, will bring \$169,650,000—MORE THAN THREE TIMES THE 1932 CROP. The real reason for this is that Iowa has been hurt much less by the drought than have most of the other corn-producing states.

"The distribution of farm income is going to be uneven, of course. The northern Iowa farmer, for example, is going to be much better off than the farmer in southern or southwestern Iowa.

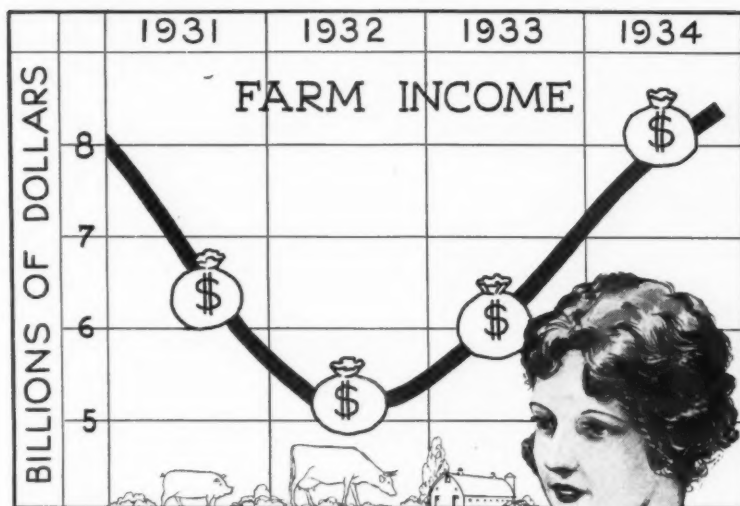
"The recent advance in hog prices has carried the level for porkers to the highest point in three years. It is through hogs that Iowa farmers market most of their corn ordinarily and Iowa will raise this year about nine million head even after reducing in compliance with the government program.

"Some idea of the recent advance in hog prices may be gained from the fact that last May hogs brought a top price of only \$3.55 a hundred, while the top the middle of August on the Chicago market was \$6.15, or an average gain of more than 70%.

"Added to the returns from corn and hog production in Iowa this year are the government benefit payments. These have totaled in the neighborhood of \$7,000,000, or about 10% of the total of \$70,000,000 due Iowa farmers within the coming seven-month period.

"This government money is over and above any price increase on corn and hogs and is in addition to the \$59,000,000 already paid to Iowa farmers in government loans on corn last winter at 45 cents a bushel. It is estimated that there are 100 million bushels of old corn now under seal for government loans on the farm. At the present market price of 65 cents, this means an additional 20 cents per bushel or \$20,000,000 for the Iowa farmers."

In nearly every other state similar conditions prevail. Some of the Minnesota counties are hard hit, but sev-



Quote -

“Standard Statistics Company of New York forecasts a total agricultural income of \$8,250,000,000 for 1934. This is 29.3 per cent over 1933. This figure includes crop values and government benefit payments. It is an increase of 61 per cent over 1932 and 20 per cent over 1931.”

Q.E.D. -

Our national income fell off 45 Billions in 1933 from 1929 while farm income fell off $5\frac{1}{2}$ Billions. The 2 Billion increase in farm income in 1934 over 1932 is a much greater improvement, relatively, than the national income will show. The subscribers of **THE FARMER'S WIFE** are therefore much happier than their city relations and will be much better customers until the national income feels the benefit of the farm improvement.

THE FARMER'S WIFE

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Chicago

enteen counties in the Red River Valley are enjoying the greatest prosperity in a decade! However, only 13.4% of Minnesota livestock is in these hard-hit counties, while there is sufficient feed in the area having 86.6%. Seven-tenths of the agricultural income of Minnesota is derived from livestock and livestock products, and consequently Minnesota is in relatively good condition. Farmers are fingering big rolls of greenbacks. With the threshing not half over in the middle of August, farmers in some of these counties had received more money than for all of the 1933 crop. Furthermore, farm overhead has been reduced so much that a greater percentage of the income is available for spending.

The wheat crop in that section is bigger by 25% than a year ago. Oats and barley yields are 25 to 50% heavier. All crops are bringing higher prices. Some of the farmers are mak-

from seventh to fifth place in total clearings among American cities. There is no sign of "distress" in these figures, for bank clearings are a reasonably accurate reflection of the economic condition of a city. Clearings go up only when business improves.

Wisconsin is another striking example of a spotty state. Heat and drought hit the northern and western sections hard, but the eastern and east south-central counties were spared. The state's corn crop will be larger than last year. Merchants in the Milwaukee and Janesville areas report constant gains in volume of sales.

Headline-readers have been getting an erroneous impression of conditions in many states. Oklahoma is an example. The precipitation map in this issue shows the state almost entirely in black—and black in this case has the same meaning as balance sheets which are in the red. And yet, de-

The three-year totals figure out 382.8 million for oil against 342.7 for farm income. With 1933 AAA benefits added, the totals would be almost identical. Fortunately, the oil wells are not dependent on either sunshine or rainfall, and the oil business, with more automobiles in operation and higher prices for both crude and refined, is more than holding its own with last year.

The Cotton South

W. C. Lassetter, of the *Progressive Farmer*, tells SALES MANAGEMENT: "Cotton promises to bring more money to the growers this year than last—the farm value of the South's 1934 cotton crop promising to bring more than \$795,000,000.

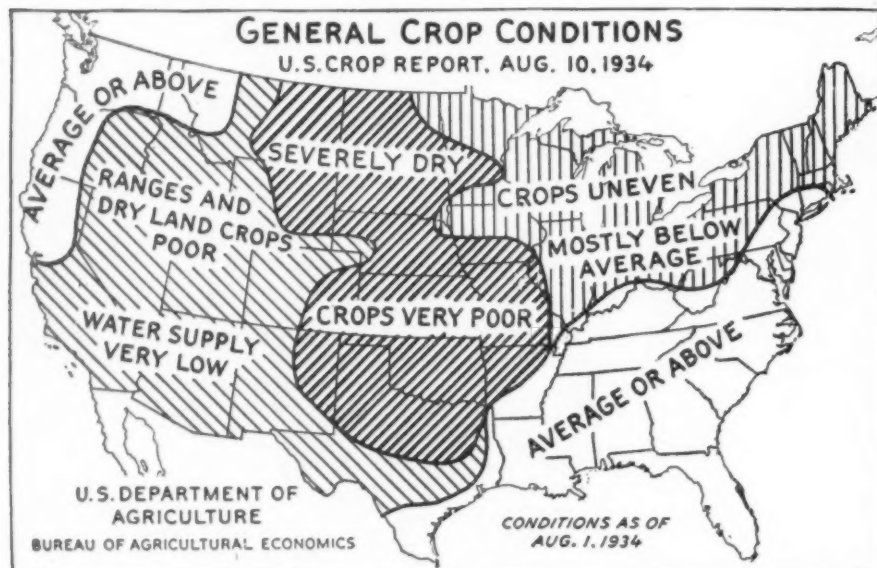
"The dry weather in the drought sections of the Southwest has been effective in keeping down cotton enemies. Under dry weather conditions the cotton boll weevil becomes ineffective. Then, the black lands of Texas are badly affected with cotton root rot. Under dry weather conditions prevailing this year in that area the root rot has not spread and cotton is growing where more often it is killed out.

"All of this is helping Texas make a cotton crop that promises to bring to the growers about \$224,160,000. Even though feed crops have been damaged, Texas farmers will have money to spend this Fall.

"Tobacco markets in Georgia opened August 1; in South Carolina, August 9; and others throughout the area will open in due season. These markets opened up paying about twice the price that opening days paid last year, and up to date these markets have shown a very much higher return to growers than last year. The tobacco crop, which last year brought growers of the Southeast a total of \$163,687,000, this year promises to bring decidedly more.

"Because of their cooperation with the Agricultural Adjustment Administration in reducing acreage of cotton and tobacco this year, farmers of the Southeast have had more land available for feed crops and other miscellaneous cash crops. The last crop report shows that this opportunity was taken advantage of by them and that they are in better position with respect to feed crops this Fall than last. In general, the weather in this area has favored average or better than average feed crop production.

"The South last year enjoyed a tremendous increase in crop values over the year preceding. As a result of that increase, farmers were able to meet pressing obligations, were able



The combined effects of high temperatures and low precipitation (see chart, page 203) have produced sharply defined areas of crop failures and crop successes. This Government map shows that among the sections most favored are the Atlantic Seaboard and Gulf States, and the Pacific Northwest. In other sections the good, bad and indifferent crop reports are intermingled.

ing enough money from their crops to pay off their entire investments in their farms! One farmer near Moorhead purchased a 160-acre tract this year and divided the acreage among potatoes, wheat and flax. His receipts from flax alone were sufficient to pay for the land. Another did the same thing with his barley. And yet it is true that other farmers fifty miles away may be in need of Federal aid.

There is severe drought in part of the Kansas City market area, and yet bank clearings in that city have been consistently above last year during a period of weeks in July and August when the nation's figures were as much as 23% below, and in the five weeks ending August 15 the city moved

spite this, the estimates show that Oklahoma's farm income this year will be 27% better than last year.

But that isn't all. Crops and livestock are only a part of the picture in any of the drought states, and this is particularly true of Oklahoma and Texas, where oil is such an important part of the state income. Here are figures for Oklahoma for several years back:

Income in Millions of Dollars*		
	Farm	Crude Oil
1931	119.0	119.2
1932	89.7	142.8
1933	134.0	120.8

*Estimates by Brookmire, Inc.

Is the Drought INSIDE Your Business?

No Drought in These Figures

Daily record of Kansas City's bank clearings July 16 to August 15, together with the amount of increase and the percentage of increase each day, as compared with a year ago.

July Clearings 1934	Increase	Pctg of Increase
16 \$17,500,000	\$ 4,200,000	31.5
17 14,400,000	1,600,000	12.5
18 17,000,000	4,800,000	39.3
19 15,800,000	1,700,000	12.7
20 15,100,000	*900,000	*-5.6
21 11,900,000	1,500,000	14.0
Week 92,000,000	13,000,000	16.0

*Decrease July 28

22 Sunday		
23 14,300,000	3,500,000	32.4
24 12,200,000	1,900,000	18.4
25 12,400,000	200,000	1.6
26 13,000,000	300,000	2.3
27 13,300,000	1,100,000	9.8
28 11,300,000	800,000	7.5
Week 76,900,000	7,900,000	11.5
29 Sunday		
30 13,700,000	2,500,000	2.23
31 11,500,000	300,000	2.6

AUGUST

1 15,600,000	3,200,000	25.8
2 14,200,000	3,400,000	31.4
3 12,900,000	2,900,000	29.0
4 12,200,000	1,100,000	10.0
Week 80,300,000	13,300,000	20.0
5 Sunday		
6 14,000,000	4,600,000	48.8
7 Holiday (Election)		
8 20,000,000	2,300,000	13.2
(3-day period)		
9 11,600,000	2,500,000	27.4
10 13,300,000	5,000,000	62.4
11 13,100,000	3,600,000	38.0
Week 72,300,000	17,900,000	33.0
12 Sunday		
13 13,800,000	3,500,000	33.9
14 12,200,000	2,600,000	27.1
15 15,200,000	5,600,000	55.7

ARE your salesmen talking about the heat which obtained for a few weeks? Are they using that as an excuse for not working—not getting *more business* than you had a year ago? Have they convinced you that there isn't any business? Then, the drought is inside your business—eating at its vitals—destroying your volume—giving your competitor his opportunity! If you have reached that stage—that attitude of mind—you are just alibi-ing to yourself—you are pitying yourself—laying it onto "conditions"—and you are not entitled to any business. Such an attitude of mind is what has put so many people on the government relief and private charity rolls.

Witness the daily record of Kansas City bank clearings for the last month, July 16th to August 15th, which appears at the left.

Note that for this entire period there was only one day when Kansas City clearings did not exceed those of the corresponding day a year ago.

The value of bank clearings as a business index is that they reflect the flow of money, as distinguished from wealth that is static. They denote activity, the buying, selling and shipping of goods—that sought-for condition known as "velocity of trade." They are the most *reliable* measure of the volume of business of *all kinds* being transacted.

At the right is the record of the bank clearings of the major cities of the United States for the weeks of July 18th, 25th, August 1st, 8th and 15th. Note that the total Kansas City bank clearings the first four weeks rank 7th in the United States and that on the last week they rank 6th.

Note that for the week ending *July 18th* the percentage of gain for Kansas City exceeded that of any other city doing an equal or greater volume.

Note that for the week ending *July 25th* Kansas City's clearings gained more than any other of the first seven cities except Philadelphia.

Note that for the week ending *August 1st* Philadelphia again was the only city doing more business which made a greater percentage gain in clearings.

Note that for the week ending *August 8th* Kansas City gained a greater percentage than any of the six cities preceding it.

Note that for the week ending *August 15th* Kansas City showed a greater percentage gain than any other city in the entire list and that in volume of clearings it moved up from seventh place to sixth place.

Last week a cigar manufacturer canceled his advertising on account of the "drought." This manufacturer's salesmen know the advertising has been stopped—they know they are not expected to turn in as many sales—as great a volume. So why not "loaf a little"—why work hard—"the house expects less business." It will get less—dealers will lose a little of their interest in this brand of cigars. Another brand—more aggressive—can easily take the place of this one in the showcase. There will be fewer dealers—fewer displays and fewer customers calling for this brand. Slowly distribution—which cost a great deal to secure—will be lost—all on account of the "drought *inside* this business."

Is the drought *inside* your business?

Kansas City Moves From 7th to 6th

Following are the bank clearings at leading cities for the last 5 weeks, with the percentages of increase or decrease from a year ago:

Week Ending July 18	Per Cent Change
New York	\$1,431,600,000 -13.9
Philadelphia	397,000,000 +13.7
Chicago	348,200,000 +5.4
Boston	236,743,000 -8.3
San Francisco	180,400,000 +1.9
Pittsburgh	162,200,000 +16.3
Kansas City	88,161,000 +17.1
St. Louis	78,100,000 +6.6
Detroit	75,100,000 +10.7
Cleveland	69,118,000 +14.7
Baltimore	57,880,000 +28.8
Minneapolis	51,119,000 +15.7
Cincinnati	46,820,000 +4.4
Atlanta	34,000,000 +26.8
Dallas	33,521,000 +26.4
Buffalo	29,600,000 +9.8
Omaha	29,211,000 +19.9
Richmond	28,157,000 +14.0
Seattle	24,975,000 +12.8
Louisville	24,960,000 +16.0
New Orleans	24,000,000 +28.9
Portland	21,486,000 +19.3
Total	\$4,165,287,000 -7.8

Week Ending July 25	Per Cent Change
New York	\$1,747,500,000 -31.7
Philadelphia	299,000,000 +23.9
Chicago	312,500,000 -18.9
Boston	187,448,000 -17.3
San Francisco	95,700,000 -1.3
Pittsburgh	85,014,000 +1.9
Kansas City	82,119,000 +18.9
St. Louis	87,176,000 +19.4
Detroit	81,478,000 +7.7
Cleveland	62,971,000 -4.4
Minneapolis	51,185,000 -30.7
Baltimore	46,800,000 +15.3
Cincinnati	40,288,000 -8.7
Atlanta	33,100,000 +16.1
Dallas	32,540,000 +22.1
Omaha	27,219,000 +17.0
Richmond	26,830,000 +7.1
Buffalo	24,800,000 -6.4
Seattle	21,412,000 +10.7
Portland	21,213,000 +20.1
Louisville	21,027,000 +16.7
New Orleans	19,673,000 -12.9
Total	\$4,276,250,000 -22.6

Week Ending August 1	Per Cent Change
New York	\$1,603,232,000 -13.0
Philadelphia	293,000,000 +18.3
Chicago	212,600,000 -18.7
Boston	179,515,000 -10.9
Pittsburgh	87,118,000 +10.6
San Francisco	85,000,000 +0.3
Kansas City	78,218,000 +18.7
Detroit	75,861,000 +48.5
St. Louis	69,100,000 +16.5
Cleveland	55,878,000 -18.1
Baltimore	44,899,000 +18.0
Minneapolis	49,783,000 -30.9
Cincinnati	38,798,000 +5.4
Atlanta	33,500,000 +16.3
Dallas	27,433,000 +21.0
Buffalo	27,200,000 -2.5
Richmond	25,488,000 +13.8
Omaha	25,255,000 +16.9
Seattle	21,251,000 +7.4
New Orleans	21,000,000 +5.0
Louisville	20,280,000 +19.1
Portland	18,255,000 -2.9
Total	\$4,321,969,000 -8.0

Week Ending August 8	Per Cent Change
New York	\$2,581,616,000 -2.1
Philadelphia	341,000,000 +15.5
Chicago	213,000,000 +13.4
Boston	189,234,000 -15.7
San Francisco	103,300,000 +20.4
Pittsburgh	83,439,000 +8.3
Kansas City	72,540,000 +22.9
Detroit	74,200,000 +34.7
St. Louis	59,000,000 +31.7
Minneapolis	56,796,000 +9.7
Baltimore	54,183,000 +20.9
Cleveland	54,801,000 -3.4
Cincinnati	34,113,000 +9.3
Dallas	30,130,000 +26.3
Buffalo	26,700,000 +6.6
Richmond	26,241,000 +19.3
Omaha	25,822,000 +24.4
Atlanta	32,700,000 +19.0
Portland	22,775,000 +20.0
New Orleans	22,000,000 +10.0
Louisville	20,706,000 +9.9
Seattle	20,498,000 +22.3
Total	\$4,686,204,000 +4.8

Week Ending August 15	Per Cent Change
New York	\$2,774,234,000 -12.4
Philadelphia	342,000,000 +7.1
Chicago	228,400,000 +18.4
Boston	162,577,000 -12.4
San Francisco	109,300,000 +14.8
Kansas City	80,163,000 +29.7
Pittsburgh	87,000,000 +8.8
St. Louis	67,000,000 +8.7
Detroit	67,068,000 +20.1
Cleveland	58,828,000 -6.6
Minneapolis	52,610,000 +2.2
Baltimore	60,180,000 +7.3
Cincinnati	37,238,000 -1.1
Atlanta	35,900,000 +10.6
Dallas	31,052,000 +28.2
Richmond	29,122,000 +14.0
Omaha	27,100,000 +20.1
Buffalo	23,800,000 -6.4
Seattle	23,738,000 +7.2
Portland	22,438,000 +21.7
Louisville	21,694,000 +15.7
New Orleans	21,000,000 +18.1
Total	\$4,241,202,000 -8.9

THE KANSAS CITY STAR.

EVENING 298,764

MORNING 295,843

SUNDAY 308,550

SEPTEMBER 1, 1934

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to wipe out most debts that had accumulated, were able to lay up something ahead for operating expenses, were able to buy many of the things they had done without for the past two or three years."

So alert merchandisers should have no great difficulty in doing business at a profit this year in the drought states, but a premium will be placed on the word "alert." They will find

that some counties will have a purchasing power so low as to be almost at the vanishing point—and other counties in the same state will have incomes which are back to the 1930-31 levels. They will study conditions reports constantly, and have sales and advertising programs sufficiently flexible so that they can intensify or diminish their efforts as local conditions warrant.

Higher Prices More Than Offset Farm States Drought Damages

(Continued from page 203)

Economics Statistics, Inc., and Brookmire, Inc., have been utilized.

Differing points of view are presented in the study—and yet there is general agreement on one point: *the agricultural income this year will exceed that of last year by a figure in excess of one billion dollars.* Farmers will receive more cash income from the sale of their crops. Prices are enough higher to more than equalize the lowered size of the crops. And in addition to that they will receive through the AAA in the next seven months a round half-billion, plus large drought relief benefits.

Estimates of 1934 farm income, including AAA payments, range from a loss to Dun & Bradstreet's prediction of a 20% increase and Standard Statistics' 29.3%.

The 1933 farm income was in the neighborhood of 6.38 billion dollars. Standard Statistics thinks it will be 6.95 billions this year, and, with relief payments and bounties paid to date and in prospect for the remainder of the year, they arrive at a figure of \$8,250,000,000. Officials of the Department of Agriculture refuse to confirm this estimate, but tell SALES MANAGEMENT, "It (farm income) may not reach eight billion."

The estimates vary in amount because of differences in opinion and also because one man talks about gross income (including feed, seed, waste) while the next expert thinks in terms of cash income. Unofficial estimates of government experts put the 1933 "farm income" at 6.38 billion dollars and the "farm cash income" at 4.87 billion dollars, a difference of 23.6%. Despite the varying totals, both governmental and outside experts agree that the cash income of the farmer will be at least a billion dollars higher this year.

SALES MANAGEMENT believes that a conservative estimate of 1934 total cash farm income (regular income,

AAA payments and relief bounties) is 7 billion dollars, an increase of approximately 29% over last year.

During the first five months of the year, according to estimates made by *Successful Farming*, the farmer's cost of living increased 12% over last year.

In the state and sectional compilations that follow we present "total income" estimates of Brookmire, Inc. The cash farm income ratio was compiled by SALES MANAGEMENT, using as a source Brookmire estimates of farm income for the 1933-34 and 1934-35 crop years, to which we have added actual AAA payments to June 20, 1934, and estimated payments from that date to February 28, 1935. Relief bounties are not included. *They will increase the ratio in drought-stricken states.*

STATE INCOMES

—FARM AND TOTAL—
1934 and 1933

	Farm Crops and Livestock 1934 Cash Income in millions	Ratio 1934 to 1933	Total All Consumer Income Ratio 1934 to 1933
NEW ENGLAND ..	167.7	110	106
Connecticut ...	32.6	112	116
Maine	41.1	108	105
Massachusetts..	39.6	109	103
Rhode Island..	5.0	100	99
Vermont	32.2	115	111
New Hampshire	17.1	113	102
EASTERN			
MANUFACTURING	586.7	116	114
Delaware	11.5	126	117
Maryland	55.3	130	118
New Jersey ...	61.7	114	113
New York....	238.9	114	112
Pennsylvania..	186.3	117	116
West Virginia.	33.0	113	123
CENTRAL			
MANUFACTURING	1251.9	130	119
Illinois	372.1	144	118
Indiana	225.5	138	122
Michigan	171.6	114	126
Ohio	231.9	125	117
Wisconsin ...	250.7	120	115
WEST CENTRAL			
AGRICULTURAL	1798.9	143	116
Iowa	511.7	157	117
Kansas	288.2	158	132

Minnesota ...	261.8	125	111
Missouri	240.1	136	115
Nebraska	286.7	143	110
North Dakota..	98.3	117	86
South Dakota ..	112.1	142	117

SOUTH EAST			
AGRICULTURAL ..	1143.1	125	110
Alabama	123.5	136	114
Florida	82.4	134	118
Georgia	148.4	126	106
Kentucky	110.8	118	115
Mississippi	145.5	142	120
North Carolina	213.6	120	102
South Carolina	97.9	129	102
Tennessee	117.6	120	110
Virginia	103.3	122	113

SOUTH WEST			
AGRICULTURAL ..	932.6	127	114
Arkansas	136.3	137	120
Louisiana	95.7	141	118
Oklahoma	190.1	127	117
Texas	510.5	123	111

ROCKY MOUNTAIN	398.2	118	111
Arizona	29.3	121	111
Colorado	91.4	117	112
Idaho	77.9	122	111
Montana	82.7	131	113
Nevada	10.1	112	112
New Mexico ..	35.7	117	111
Utah	34.1	105	108
Wyoming	37.1	105	109

PACIFIC COAST ..	660.7	121	117
California	443.5	119	118
Oregon	89.2	122	113
Washington ..	128.0	128	113

UNITED STATES			
TOTAL	6939.7*	129	113

SOURCES: *Total Consumer Income* ratios from Brookmire, Inc., estimates as of August 1 for next six months. *Farm Income* from Brookmire estimates of crop and livestock incomes for the crop year, without AAA payments, plus SALES MANAGEMENT compilations of AAA payments to date and estimates for balance of year, and including corn-hog, wheat, cotton, tobacco, corn loan, cotton loan and cotton option programs. (The Brookmire estimates, without adjustment for either year, show an increase of 15%, 1934, for AAA payments over 1933.)

* \$312 million of the national farm income is not distributed by states.

Ross Federal Field Survey

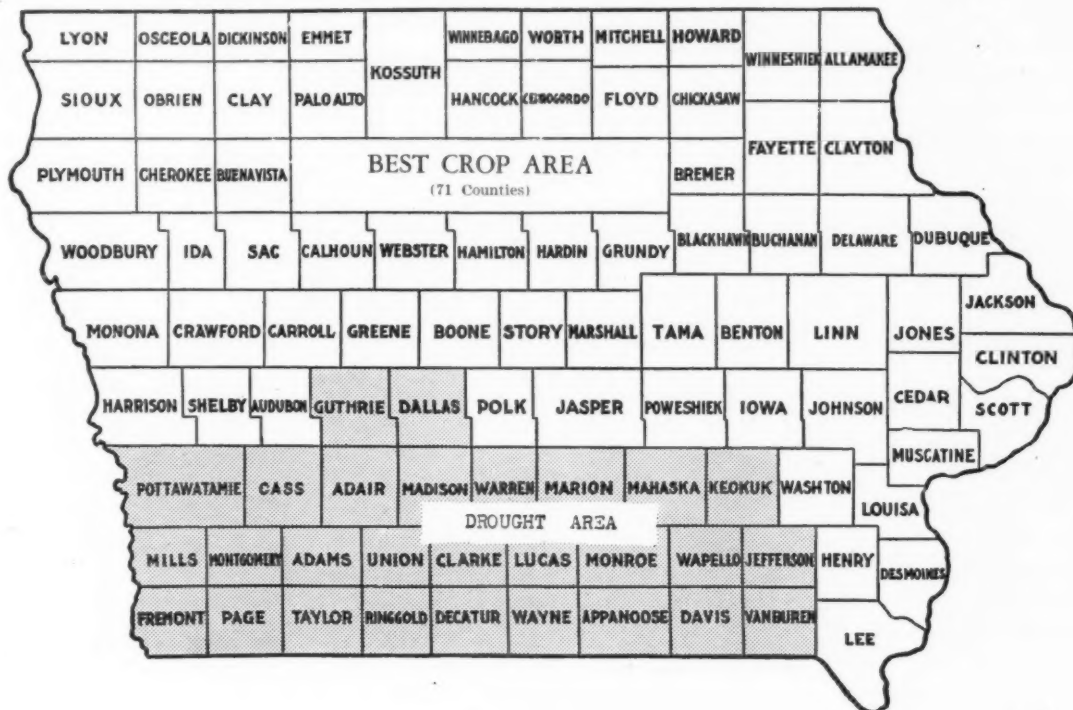
Telegraphic reports from Ross Federal field men show that representative local business men, including bankers, retailers, manufacturers and wholesalers, are less optimistic than the estimates above about purchasing power exceeding that of 1933. In fact, the greater the distance from the drought the greater the optimism, with Major Angas of Great Britain the most optimistic of all.

In Milwaukee, for example, the consensus of opinion was that the total state purchasing power would be up about 7%, and farm purchasing power about 4%. Further South and West, in Kansas City, local men estimated the state income about even, and farmers' income slightly less. In Oklahoma City the state income was estimated up 5% and farm income a stand-off.

SALES MANAGEMENT

The Drought in Iowa

Drought area outlined from latest (Aug. 4) U. S. Department of Agriculture report



Iowa Drought Area

Total Iowa Counties.....	99
Counties in Drought Area (shaded)*.....	28
Counties not in Drought Area.....	71

Iowa Corn Crop

Normally 22% of corn is raised in 1934 drought area.
Normally 78% of corn is raised in 71 other counties.
In 1934 about 90% of corn crop is in those 71 counties.

Aug. 1 U. S. estimate of 1934 crop.....	261,000,000 bu.
Crop value as of Aug. 1.....	\$159,000,000
(Price Aug. 1—61c bu.; price Aug. 14—65c bu.)	
1933 crop value.....	\$136,000,000

Circulation Des Moines Register and Tribune

	Daily	Sunday
99 counties	259,029**	250,642**
Drought area	24%	19%
71 other counties	76%	81%

Iowans in the 71 counties *not in the drought area* will have more money this fall and winter than in several years past. Three-fourths of The Des Moines Register and Tribune's circulation goes into that same area. More need not be said to the advertiser looking for spending power.

*The 28 counties in the drought area are now receiving over 7½ million dollars in first payment corn hog money, and will receive twice that much later. This does not include drought relief money. Iowa, as a whole, is receiving 70 million dollars corn-hog benefit cash in addition to 60 million dollars in corn loans received this spring.

**July, 1934, average.

An Excellent Market in a Favored Region

SAN ANTONIO and Southwest Texas generally present a market opportunity unusual for these times. This region lately has been favored with better rains than other sections and, as usual, will be highly productive in fall and winter harvests.

Southwest Texas is rich in diversified crops, oil and natural gas, wool and mohair. It is the Nation's kitchen garden and its prospects for a heavy crop of citrus and other fruits this winter are excellent.

SAN ANTONIO EXPRESS and **SAN ANTONIO EVENING NEWS** serve and reflect the business and social interests of their city and region. They are home-going newspapers; they are read by the housewives—thus affording the advertiser his sales opportunity in this great market.

The Express and The Evening News are firmly established in reader-interest and reader-confidence. They lead in financial, real estate, travel, resort, railroad, steamship, educational, automobile, building and building supplies, food products and classified advertising lineage, and also carry the advertising of the highest-class department and ready-to-wear stores.

CIRCULATION of The Express and The Evening News is concentrated in this market's homes that have means to buy.

San Antonio Express San Antonio Evening News

Texas' Foremost Newspapers

17% Calamity, 83% Blessing, Washington Says of Drought

Washington, D. C., August 20.

NEVER before in this country has severe drought extended over so extensive an area and affected so large a proportion of the farmers.

Yet food supplies for the nation as a whole are ample. Stocks of bread grains and of several other food products are large. Production of most canning crops will be about normal, fruits and vegetables fairly abundant outside of the drought area, and the supply of meat, dairy and poultry products adequate for the remainder of this year. But local supplies of certain food crops will be decidedly short in many areas, requiring more than usual shipments from other localities.

Plight of the 17%

There is a limited possibility of increasing production this year above present prospects, for plentiful rainfall could yet bring about a good growth of grass on pastures and meadows and make possible the seeding and growth of wheat and rye. But presently, and in spite of recent rains, conditions are still very unfavorable in most of the drought area for planting emergency pasture crops or for securing increased feed from ranges and pastures.

No estimates of the farm income for 1934 have been made by the Department of Agriculture as yet. But when Standard Statistics placed the figure at \$8,250,000,000, the Department did commit itself to this extent: "The figure is much too high. It may not even reach \$8,000,000,000. Yet even that is merely a hazarded estimate." The farmers' income, according to the Department, for the year 1933, amounted to \$6,400,000,000. A rough estimate would be that the 1934 income will exceed that figure by approximately a billion and a half dollars.

Careful estimates indicate that only 17% of the farm population has been seriously affected by the drought. To them the drought is a calamity, but to the other 83% it is a blessing. We discuss now the plight of the unfortunate 17%.

The main drought damage this year is in the shortage of feed, forage and pasture, necessitating heavy reduction of livestock numbers and reduced rations for the remaining animals. This in turn will cause sharp reduction of

livestock products in 1935, even if the growing season next year should be normal. Some increase in forage production will result where rains have occurred, although in the worst areas the plants are already dead. In the Eastern part of the drought area the recent rains have been sufficient to halt deterioration at least temporarily, but will probably not offset all of the damage done during the first ten days of August.

The unusual scarcity of hay, forage crops, and feed grains will necessitate extensive adjustments in livestock management. They will comprise primarily a reduction in number of livestock, less intensive feeding of the animals retained, closer utilization of all feed supplies, unusual efforts to increase production of forage and pasture crops wherever the weather will permit, and decreases in exports and increases in imports of livestock feed stuffs.

Govt. Cattle Price Really Good

Government purchases of cattle and calves amount to more than 3,000,000 head in the 20 states most affected by the drought.

Latest available figures—August 18—covering purchases up to that morning, place the total of cattle bought at 3,124,763 head. All such cattle are turned over to the Federal Surplus Relief Corporation to be slaughtered and canned and distributed for relief purposes.

Government checks issued to date indicate that the average price paid per head for drought cattle is ranging from \$13.50 to \$13.75. This price may seem ridiculously low. Well it might be were it not for the fact that many of the cattle purchased are killed immediately, being unfit for any purpose at all, their parched and dried bodies being merely tortured carcasses. About 500,000 head have been ordered sent to pastures in Eastern and Southern states to be held for slaughter later when facilities are more readily available. Vouchers totaling \$25,846,959 had been issued to the close of business August 17, covering payment, at an average price of \$13.65 per head, for 1,894,886 head of cattle. The total of the cattle purchased to date amounts to 30.5% of all the cattle on the 215,584 farms which had sold drought cattle to the Government. The purchases to date, checks for which are being sent out from offices at St. Paul, Kansas City,

SALES MANAGEMENT

Chicago and San Francisco, totaled by states, are:

Arizona, 41,861; California, 11,226; Colorado, 85,695; Idaho, 9,900; Iowa, 2,334; Kansas, 139,514; Minnesota, 165,418; Missouri, 89,643; Montana, 177,596; Nebraska, 117,598; Nevada, 6,922; New Mexico, 171,189; North Dakota, 742,952; Oklahoma, 21,321; Oregon, 957; South Dakota, 473,499; Texas, 699,484; Utah, 47,481; Wisconsin, 35,902; Wyoming, 88,206.

Crop prospects declined nearly 11% during July. The most serious loss was a decline of about 24%, or 500,000,000 bushels, in corn prospects. Even the production of corn fodder was seriously reduced in the drought areas.

Further Adjustments

Judging from the present prospects, there will be available for livestock feed this year only about 65% of the usual quantity of grain, including corn, oats, barley, and grain sorghums, and only about 68% of the usual quantity of hay. Because of the short pastures a considerable amount of the 1934 production of hay has already been consumed. Probably not more than half of the usual straw has been stacked and corn and sorghum fodder will be exceptionally light. For these reasons a rather drastic adjustment in the number of livestock will have to be made before fall and winter feeding begins.

In the figures given above, it will be noted that North Dakota, with 742,952 head of cattle purchased by the Government, has been the largest single reducer of cattle. The total cattle sold to the Government represents about 40% of the entire herds in the state.

To reduce livestock units in some of the worst drought states to a point where feed supplies per animal unit would be equal to the 5-year average would require a reduction of from 50 to 75%. But in no states, not even North Dakota, is it to be expected that any such reduction will be made. For the country as a whole, it is probable that slaughter of cattle, calves and sheep, including the animals bought for emergency slaughter during the six months, July to December, will greatly exceed that of any similar period on record. Under present feed conditions the finishing of cattle and lambs on grain for market will be greatly curtailed and hogs will be marketed at light weights. There will be a relatively heavy movement of feed into the worst areas and everything that can be utilized for feed will be salvaged.



Send for NEW Business
Conditions Folder and Map.



Here is the place for spot sales.....

Minnesota farm income is up for 1934—considerably greater than the national increase of 29.3%.

Minnesota has the fourth largest corn crop in the United States.

The corn crop is of tremendous importance here because it is the basic feed crop and Minnesota farmers receive 70.6% of their income from dairy cows, hogs, beef cattle, and poultry.

The 21 southern counties of Minnesota are one of the garden spots of America this year. The Red River Valley is harvesting one of the best crops of small grains that it has had in many years. There is ample feed for Minnesota's livestock—86.6% is located where sufficient feed is assured.

Minnesota leads the entire United States in butter production. Butter prices are up 22.7% higher than last year. 22% of the agricultural income of Minnesota is from hogs. Hog prices are more than doubled.

Within the next two months, farmers of Minnesota and the Dakotas will receive \$46,940,135 from government bonuses and contracts (over eighteen and a half million dollars have already been paid here). Minnesota farmers are in the best position to buy since 1930. THE FARMER and Farm, Stock & Home reaches seventy-five per cent of Minnesota's farm homes.


THE FARMER
Webb Publishing Co. Saint Paul, Minnesota
Farm, Stock & Home
Saint Paul, Minnesota

New York—Midwest Farm Papers, 250 Park Ave.
Chicago—Midwest Farm Papers, 6 No. Michigan Ave.
Detroit—G. S. Broholm, 3-258 General Motors Bldg.

WHO ARE USING PREMIUMS WHAT ARE THEY USING ?

Below is partial answer to these questions as gleaned from 1934 newspaper and magazine advertisements. Space does not permit of a complete enumeration.

KOLYNOS used Beetleware tumblers by the hundreds of thousands. . . . GENERAL MILLS, BLUE MOON CHEESE PRODUCTS and INDEPENDENT GROCERS' ALLIANCE are distributing millions of pieces of International Silverware. . . . PHILLIP'S DENTAL MAGNESIA used Macbeth-Evans glass tumblers. Volume distributed was staggering. ("Hundreds of thousands" would be putting it mildly.) . . . Six customers, including JOHNSON & JOHNSON, PEPSODENT, OVALTINE and GENERAL FOODS absorbed sixteen million pieces of Beetleware in premium campaigns. . . . THE GOLD DUST CORPORATION used twelve million Patex towels to introduce Silver Dust. . . . G. I. SELLERS & SONS buys glassware in carloads to offer with kitchen cabinets. . . The H. J. HEINZ COMPANY distributed more than a million Metalcraft toy trucks in one campaign.

Other well-known companies using premiums in large quantities include:

CORN PRODUCTS REFINING COMPANY	CARNATION COMPANY
PROCTER & GAMBLE COMPANY	RALSTON PURINA COMPANY
BROWN & WILLIAMSON TOBACCO CORP.	R. B. DAVIS COMPANY
WILLIAMS OIL-O-MATIC CORP.	BROWN SHOE COMPANY
ARMSTRONG CORK COMPANY	QUAKER OATS COMPANY
BEECH-NUT PACKING COMPANY	STANDARD BRANDS, INC.
THE BORDEN COMPANY	COLLEGE INN FOOD PRODUCTS CO.
KELLOGG COMPANY	THOMAS J. LIPTON, INC.

For complete data and expert advice on what *your* company can

(a) Use as premiums to increase your sales

(b) Do to sell your products to important premium users

come to Premium Headquarters, which is to say:

PREMIUM PRACTICE *

(FOUNDED 1905 AS NOVELTY NEWS)

420 Lexington Avenue

NEW YORK, N. Y.

* For twenty-nine years the National authority on the sale and use of premiums

Where Are the Best Markets for Oil Burners and Air-Conditioners?

HOW many domestic oil burners are in use in Essex County, New Jersey? What effect is the speculative home building boom of a number of years ago having on present oil-burner sales in Detroit? What merchandising and advertising methods are being used by the "key" oil-burner dealers in America's major markets?

These—and numerous other questions of importance to concerns selling automatic heating or air-conditioning—are answered in a new series of surveys now being completed by *Fuel Oil Journal* of New York, known as the "1934 Key Market Study." Third survey of its kind (except in scope—the current one being the broadest ever attempted), *Fuel Oil Journal's* project covers sixty major markets.

Markets expecting the biggest increase in oil-burner sales for 1934 are Philadelphia, Metropolitan New York, Baltimore, Washington and Milwaukee, the survey reveals. Metropolitan New York leads the country in number of installations—this market buys annually from 15% to 20% of all oil burners sold in the United States. Other leaders in number of installations are Chicago, Boston and Philadelphia.

Markets carrying the most oil-burner advertising in newspapers are New York, Boston, Chicago, Hartford, Westchester County (N. Y.) and Philadelphia.

Fuel Oil Journal estimates 1934 domestic oil burner sales will run ahead of 1933 by 25%. First five months' shipments (1934) of 149 manufacturers ran 51% over the same period of 1933.

Factual Market Data Invaluable

Each report in the key market study is divided into four sections: (1) General data on the market; (2) specific data on automatic heating and air-conditioning; (3) competition and sales resistance factors, and (4) dealer buying habits.

The factual data on the market, particularly concerning retail dealers, their standing, and the reasons for their local sales success, are perhaps the most valuable information in the surveys. In the Detroit report, for example, we find an estimate by leading dealers that sales for 1934 will run

approximately 30% ahead of 1933. It is estimated that 21,500 automatic and commercial burners have been installed in the Detroit market from May, 1925, to the end of 1933. Of these approximately 12,000 are Timkens (Timken's "home" market), 3,500 Petro-Nokols and 1,100 ABC's. Because a number of old burners were replaced during the past several years, the total number in operation the first of this year was estimated at 17,850.

The names and addresses of 86 oil-burner retail outlets, together with the names of the products carried by each, are listed. Then the seven leading or key dealers—whose sales amounted to 86% of the total 1933 business—are identified, with figures on the sales of each.

The SALES MANAGEMENT reviewer found the "reasons for sales success" of special interest because relatively few surveys of any type are available in which this information is included in such specific terms. Typical of the comment under this head are these excerpts from the Baltimore report:

"... Sherwood Bros., established in Baltimore for forty years, had

earned an enviable reputation as distributors of Betholine oil products before taking a burner franchise. This company entered the field in 1932, ranked second locally in burner sales volume in 1933, and with a total of 236 installations by June 15, had outstripped all competitors in 1934. When Sherwood Bros. organized an oil-burner division in 1932, a local man, already experienced and successful in the field, was chosen as manager.

"In 1933 Hochschild, Kohn & Company, a leading department store, adopted sales practices radically different from usual department store merchandising methods. An office and showroom were opened four blocks from the main store; in addition, space was retained on the sixth floor of the department store, with one salesman constantly in attendance. A local man, already well known in the burner field, was employed as sales manager. Under his direction a crew of specialty sales and service men was trained.

"Most of Hochschild, Kohn & Company's leads are obtained through per-



Re-designing for Better Business: As has happened frequently in other fields, re-design of business machines has made them not only more beautiful, but vastly more efficient. On the new Felt & Tarrant Comptometer, the Supertotalizer, it is possible, by simply turning a lever, to transfer and add subtotals into the Supertotal Register, thereby eliminating recapping. This machine has an additional new feature, a set of selective transfer stops, which enables the operator to convert an amount containing a fraction of a cent—figures like \$25.678 are continually bobbing up in payroll and commission computations—to the nearest full cent before transferring the amount into the grand total. The left hand of the girl (unfortunately not included in the retail price) is resting on the Comptometer Peg-Board, a device used for the collection and distribution of figures into various classifications.

sonal canvass, but advertising and telephone solicitation are also used. Service men are trained in the art of conversing with oil-burner owners, in order to obtain new leads for salesmen.

"To meet gas competition, the company has a special rental plan by which a burner is installed for a down payment, the user paying a stipulated annual rental. At the end of a year, the user is given an option to buy the burner on the installment plan or to continue renting. If he buys, interest is charged. This plan is reported very successful in attracting the attention of prospects, who, however, usually decide to buy rather than rent, because it is more economical in the long run.

"During the 1933-1934 heating season, Hochschild participated in Oil-O-Matic's national 'shovel' campaign. As a result of a local newspaper advertisement, 3,500 coupons were sent to the company to obtain free coal shovels. Of these, 55% came from home owners who were logical prospects for oil burners; 39% came from residents of poor districts; and 6% came from negroes. Each shovel given away in this campaign carried the written information that the drudgery of shoveling coal might be avoided if an Oil-O-Matic were installed.

"The presence of the May factory in Baltimore is a decided factor in the local popularity of the Quiet May burner, and the market has more Quiet May installations than any other brand. It is the company's policy to invite prospects to visit the factory. As a rule, 50% of those who visit the factory ultimately buy oil burners. Direct mail campaigns are often used as a means of sales promotion . . ."

Concerning Competition

In Section III of the reports—the part covering competition and sales resistance—*Fuel Oil Journal* has summarized such facts as the current price situation (Interviewer's question: "Is there much chiseling in this market?"), percentage of time payment sales, advertising lineage in local newspapers, gas competition, gas rates, stoker competition, coal and oil prices, data on cooperation of architects and building contractors, ordinance regulations, and marketing factors classified as to "positive" and "negative." Finally, there is a "Summary of sales conditions and suggestions for approach to this market." A typical comment under this head—this one from the Essex County, N. J., report:

"Since there is definite animosity toward oil burner dealers on the part of heating contractors in this terri-

tory, and since heating contractors are considered good prospective oil burner outlets, it seems that a manufacturer seeking new dealer connections might well select for his retail outlet a progressive contractor who already has a good following in the heating field. This is definitely a fertile market for oil burners, oil holding the lead over other methods of heating, and burner sales in 1933 having increased 20% over the previous year. A manufacturer should insure that his new outlet is financially able to do a good merchandising job in the face of encroaching gas competition, and be willing to assist materially in the publicity and advertising work that will be necessary."

Applications of Survey

In the fourth section are listed items used and sold by oil burner dealers, with brand names and approximate amounts. For instance, from the Rochester study we learn that leading oil-burner dealers use an average of 30 to 50 feet per job of copper tubing and fittings, usually American, Chase, Revere or United Wire brands; and in Hudson County, New Jersey, most dealers also use copper tubing and fittings; three used 20,000 feet in 1933; Chase and United are the favorite brands. Dealers were queried about 58 different items, such as time switches, oil gauges, pipe tools, pipe thread cement, draft regulators, automatic pumps, boilers and air filters.

Fuel Oil Journal's complete study is intended primarily for the use of manufacturers of automatic heating and air-conditioning equipment and advertising agencies handling their accounts. The edition is limited to 50 copies, but reports for single markets are purchasable separately.

Value of the study, according to its sponsors, will depend upon proper application of the information it presents. A careful study of a report on a specific market might explain to a manufacturer why his oil-burner unit isn't doing so well there through its statement that local heating contractors are refusing to recommend it, admitting they are "putting the skids" under it because they believe the local dealer handling this unit is invading their field.

The sales manager of an oil-burner company planning to enter the Bronx, New York, market will learn that Bronx home owners are almost unanimously in favor of oil heating. Profiting by the experience of other manufacturers, he can advantageously refrain from wasting space in the company's sales manual, or in display advertising, with arguments in favor of oil

heating as opposed to other types of heating and sell, instead, his specific brand in competition with others.

Markets covered by *Fuel Oil Journal* in the survey include: Metropolitan New York (separate reports on Manhattan and Bronx, Brooklyn, Queens County, Staten Island), Nassau County, Long Island; Suffolk County, Long Island; Westchester County, New York; Orange County, New York; Rockland County, New York; Bergen County, New Jersey; Essex County, New Jersey; Hudson County, New Jersey; Morris County, New Jersey; Passaic County, New Jersey; Union County, New Jersey; Fairfield County, Connecticut (exclusive of Bridgeport, covered alone); Baltimore, Bridgeport, Buffalo, Cleveland, Detroit, Erie, Hartford, Pittsburgh, Providence, Rochester, Syracuse, Toledo, Washington, Philadelphia, Philadelphia and Norristown District; Schenectady, Springfield, Mass.; Trenton, Waterbury, Wilmington, Worcester, Chicago, Fall River, Lancaster, Lynn, Milwaukee, New Bedford, Oakland, Omaha, Reading, St. Louis, San Francisco and Utica.

Whole Nation Now Gets TVA Refrigerator Models

All the big refrigerator manufacturers who produced small, low-priced models for sale in the territory of the Tennessee Valley Authority are now releasing them for general sale throughout the country at TVA prices. General Electric and Kelvinator were first in the field—GE's "Liftop" at \$77.50 and Kelvinator's at \$79.50, f. o. b. factory. Frigidaire, Crosley, Norge, Leonard and Westinghouse will also be selling their new tiny models broadly before September 1 at one or the other of the two factory prices.

After one month of selling in New York, Rex Cole, Inc., reported to SALES MANAGEMENT that unit sales had increased 50% and that only 20% were "Liftops." This indicated that the little model was drawing people into showrooms, but that good salesmanship was sending them out with higher-price models. The new refrigerator, at the new low price, has opened up a whole new apartment-house field among buildings into which Monitor-tops could never have been sold.

E. H. Campbell, Rex Cole sales promotion manager, said he feels sure the \$77.50 refrigerator will build business for bigger models instead of cutting down their sale. "Good salesmanship will do that," he said.

In the New York area the seven electric utilities allied with the Edison company are experimenting with collecting refrigerator payments. They are billing and collecting the \$3-a-month-for-three-years plan separately from electric light bills on the new small models only.



DUCHESS CARAFA D'ANDRIA

As proof of the statement, offers the fact that for the past 12 years retail food merchants (undeniably canny) have consistently run more copy in the New York Evening Journal than in any other New York newspaper; are at present placing 40% of all retail food advertising in the Journal . . . for the first 7 months of this year, increased their total space by 23.3%.

Further supports the statement with enthusiastic endorsements of the Journal by people in widely divergent strata of society . . . at one pole, the Duchess Carafa D'Andria, an invitation to whose parties is an accolade of the socially elect. At the other pole, a watchmaker, Samuel Secker, who likes the Journal because of Sportswriter Bill Corum; somewhere in between, the Very Reverend Msgr. Cashin of St. Andrews; the Reverend Dr. Hazen G. Werner, whose sermons stir the congregation of New York's celebrated Broadway Temple.

The nature of the unqualified testimonials by these widely different types, strongly supports the Journal's contention that it is, above all, interesting to the average American. Its circulation of over 600,000 supplies proof of its unquestioned dominance.

Many are the other decisive arrows pointing the trend toward the New York Evening Journal and supporting its claim of being the most dependable means for reaching the largest number of average people . . . who, after all, are the backbone of any market.—Advertisement.

FIRST ESSENTIALS

ACADEMIC, say experienced merchandisers, is the question of how first to capture and then to hold the lion's share of a market.

Look first, say they, for the largest group of solid, average American people in the market. Look next for some dominant influence over all of them.

Many the controversies over the who

and the where of such a group in New York.

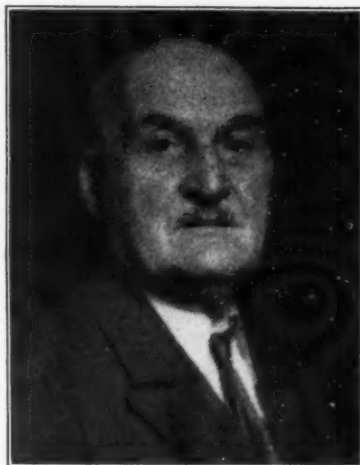
The New York Evening Journal offers seemingly conclusive proof that it answers both questions . . . advances the premise that its readers comprise a group which is as essentially average American, and certainly as dominant, as exists anywhere . . .



FATHER CASHIN



REV. DR. HAZEN G. WERNER



SAMUEL SECKER

Market Executives Say 2 Per Cent Sample of Homes Adequate

SALES MANAGEMENT editors recently asked 250 company officials, sales managers, advertising managers, research directors and advertising agency principals and executives: "What is the smallest number of homes in any community which may safely be considered a typical cross-section?"

More than 50% of the subscribers replied but there was no unanimity of opinion. The largest number of votes were cast for 2% of all homes or one in every fifty. The next closest preference was for 1%.

We asked these subscribers to "think in terms of your own product and its distribution and assume that you are paying a research organization to conduct a survey among housewives in their homes. Please check a figure which you feel represents the smallest number of calls which would satisfy you that you were receiving a fair pick of a community's reaction to your product."

The replies which were specific and could be tabulated are shown in the accompanying table. Nearly one-third of the subscribers felt that the question could not be answered definitely—that each proposed survey should be sampled first; that much depended on the size of the community, etc.

No Rules Hold Good

For example, the head of the commercial research department of a large packing company says:

"A definite answer cannot be given with regard to the proper number of homes to be safely considered as a typical cross-section. It depends on how uniform in type (income, race, etc.) the homes in a community are. The more diverse they are, and the more this diversity affects the consumer's choice of product or method of buying, the greater the number of homes necessary in a sample for reliability. We follow the general rule that a survey should be continued until additional homes do not change the results significantly.

"The number of homes necessary will be greater in the large city than in the small on account of the less uniform home conditions, people, etc., of the large city. The increased number, however, will not be anywhere near being proportional to size of the community.

"Another factor determining the size of the sample necessary for stable results is the prominence of the product's characteristics. The reactions will be very much more reliable when the product characteristic is very noticeable. When the characteristic being examined is a fine shade of taste, color, smell, etc., the number of people asked about it should be larger.

"Still another factor is the degree to

which the product is universally used. Nearly everybody eats butter, while Rolls Royce car users would be few and far between. While this is extreme, it illustrates the point that there is no definite rule as to how many interviews per thousand homes or persons should be made before tabulated results reach the dependable stage."

The advertising manager of another Chicago food concern says that his products are used in only one of ten families and because of that he would want calls made on every home in carefully chosen representative blocks.

An eastern drug manufacturer says that a proper ratio would be one in 25 in small towns, one in 50 in larger cities and one in 200 in the largest cities.

A Philadelphia agency executive says: "In our survey work we have in the last several years never set any

How Many Homes Constitute a Typical Cross-Section?

Of the executives queried by
SALES MANAGEMENT—

28.6% said	2% of homes
20.3% said	1% of homes
16.2% said	4% of homes
13.5% said	10% of homes
9.5% said	1/2 of 1% of homes
6.8% said	3% of homes
4.1% said	5% of homes
1.0% said	1 1/2% of homes

definite number of calls to be made. We use a sampling method whereby we lay out a minimum number of calls in a definite cross-section of the particular community on which we are working. That sample is then charted and the same number is used as a duplicate and charted, and this method continues until the results continue to be of the same proportions. In this manner we feel that we then have a very definite cross-section, and, regardless of how many extra calls are made, the answer would probably be the same."

In much the same fashion, the research director of a large national agency says that if they have a problem where 100,000 prospects are concerned they first send out a 10,000 mailing, or 10%, and then check and tabulate each 100 returns as they come in. If the information of each group parallels the next fairly closely, then they do not as a rule need to send

any more questionnaires out. If results do not parallel in each group, they continue sending out mailings until they reach a parallel.

Another New York agency executive says:

"There are no more than 40 professional research men in the country whose experience has led them to think deeply about the question—and I believe they would all tell you that if there were a simple answer it would have been found long ago.

"Second, some types of merchandise (oranges, for example) are used in nearly every home, and the trend can be established with fewer calls than if you had to find Victrola listeners or zither players.

"Third, some localities have homogeneous population characteristics and a relatively small cross-section is sufficient. In many Mid-West communities the people have similar racial backgrounds, nearly all are native born and were educated in the same schools. There are many places where master and workman were Tom and Jack to each other when they went to school, and still are—where the grocer salutes a dignified dowager as Sarah, to nobody's amazement.

"Such people do not differ as widely in tastes as do the people of the melting pot cities. I have heard that Trotsky lived seven years in New York and never had to speak English. Where there is wide diversification of social classes and racial groups, the cross-section must be adequate for each group in which a marketer is interested. It would take an hour, and an unusually patient listener, to detail all that this might involve in spotting interviews.

"Knowledge of people and their motivations is far more important in research than the figures used as devices for giving relative values to findings. What I'm trying to say is that I'm agin' using statistical formulae for studying human nature."

Polk's 5% Very Accurate

The sales manager of a food company which has almost direct distribution in the East says that in strictly suburban territories one family in every 20 would be a proper cross-section, while in Greater New York one in 100 would be sufficient.

The research director of another advertising agency breaks the problem down into logical groups and says that a national survey should cover .1% of the homes, a sectional survey 1% and a strictly local survey 10%.

A New York drug manufacturer stresses the point that R. L. Polk & Company has discovered that a 5% sample resulted in absolutely direct correlation of all available census statistics of the entire population.

Audio Expands Activities

Audio Productions, Inc., industrial and theatrical films, has just announced the reorganization of its business along departmental lines. Under the new plan Frank K. Speidell will serve as director of its industrial division and F. Lyle Goldman director of the theatrical division. At the same time the duties of C. H. Bradfield, Jr., have been expanded to include that of director of the service division.

SALES MANAGEMENT

How Leading Drug Products Rated in Surveys Conducted by Time and Modern Magazines

<i>Constipation</i>		<i>Time</i>		<i>Modern</i>
Milk of Magnesia		101	Ex-Lax*	117
(44 Phillips* 6 Squibb's*)			Milk of Magnesia	28
Mineral Oil (11 Squibb's*)		56	Epsom Salts	19
Ex-Lax*		48	Cascara	17
Cascara		36	Feen-a-mint*	14
Sal Hepatica		28	Mineral Oil	11
Nujol*		20		
<i>Cuts</i>				
Iodine		243	Mercurochrome	112
Mercurochrome		150	Iodine	107
ST No. 37*		25	Unguentine	27
Unguentine		17	Peroxide	16
Alcohol		13	Vaseline	6
Zonite*		10	Absorbine, Jr.	4
<i>Headache</i>				
Aspirin		515	Bayer's Aspirin	188
(208 Bayers* 20 Squibb's*)			Aspirin	75
Bromo Seltzer*		28	An-A-Cin	19
An-A-Cin		21	Bromo-Seltzer*	17
Pyramidon		17	Squibb's Aspirin	10
Empirin		16	Alka Seltzer	5
Sleep		10		
<i>Indigestion</i>				
Soda		164	Baking Soda	47
Milk of Magnesia		34	Tums*	28
Bisodol		29	Bicarbonate of Soda	19
Tums*		16	Milk of Magnesia	19
Bell-ans		14	Bisodol	16
Prescription		10	Soda Mints	13

* Advertised in that magazine during the first six months of 1934.

"Time" and "Modern" Record Drug Product Preferences of Readers

Two magazines—Time and Modern Magazine—each happened to query a cross section of their readers in June to determine what they used to cure various ailments.

The Modern group asked a group of some 4,000 readers what they used for bad breath, headaches, sunburn, regular burns, head colds, chest colds, and a score of other ailments and 402 readers responded with mention of 819 remedies.

Time picked 5,000 subscribers alphabetically and received a 20% return—1,006 replies. Not all of the afflictions mentioned by the two magazines coincided, but several were mentioned in both questionnaires, and we give below the tabulation of the leading remedies in four similar classifications, together with a listing of the companies mentioned who advertised in either of the magazines during the first six months of 1934. A large number of the replies from both groups of readers mentioned generic names—baking soda, iodine, milk of magnesia, etc. (See table above.)

Time also asked its readers whether doctors had ever recommended "any of the following advertised medicines." The following products re-

ceived the largest vote:	
Phillips Milk of Magnesia	401
Bayer Aspirin	293
ST No. 37	244
Vick's Vaporub	210
Nujol	164
Vick's Nose and Throat Drops	159
Listerine	152
Absorbine, Jr.	115

Time readers also reported that when buying medicines at independent drug stores, 535 clerks made no attempt to switch them from one brand to another, while 406 did, but that at chain stores, 655 clerks tried a switching operation as against only 200 who did not. Clerks in the chain stores were also more alert in trying to sell customers additional products. Time readers also reported that about one-third of the dentists recommended the dentifrice they were now using, and that Squibb's, Ipana, Pepsodent, Colgate's and Kolynos were recommended in that order.

Snapshots

The GREAT ATLANTIC & PACIFIC TEA COMPANY and LIBBY, MCNEIL & LIBBY have notified the United States Department of Agriculture that they are revising their canned goods labels to make them conform to the grades defined by the Government. The movement was fought by a num-

ber of manufacturers during the hearings on the Tugwell Bill, but with two such important packers using the Government grading system it will be difficult for competitors not to follow.

The PENNSYLVANIA TOBACCO COMPANY, of Wilkes-Barre, Pennsylvania, is introducing a 15-cent cigarette, called the Kentucky Winner, in the New York market this week, after try-outs in the New England and Chicago territories.

NEW PRODUCTS breaking in newspaper space during the fortnight include Pabst Blue Ribbon Ale, and Tampaz—a sanitary napkin which advertises, "A month's supply in a purse size package."



... even busy dealers find time to read.

Jim Knox, of the CHARLES B. KNOX GELATINE COMPANY, gets out from time to time "Little Jim Knox Books" which even hardboiled chain store managers and division heads find interesting and full of good sales ideas. Most of the stories are ones which Mr. Knox picks up from successful retail grocers throughout the country. They are distributed direct to the 130,000 operators of grade A and B stores on the Knox list. Mr. Knox tells us that last year he received over 27,000 personal letters from retail grocers which were prompted by these little books.

The SOUTHERN RICE INDUSTRY has decided that Mrs. Public needs awakening to the facts about rice. Our per capita consumption is extremely low. The cooperative group has started a heavy newspaper campaign tied up with cooking schools in 33 test markets in the East and Central West. Recipe books containing 200 ways to serve rice will be released nationally this month.

Media and Agencies

Record Breaks Record

One day last Spring the advertising salesmen gathered in a huddle in their bailiwick at the Boston *Daily Record* office. They were looking at the comic strip page which appears regularly in that paper, pondering its pull with readers.

They saw white spaces separating "Dumb Dora" from "Toots and Casper," "The Nebbs" from "Tillie the Toiler." A word with the makeup man gave assurance that these strips might be placed a bit closer together, leaving a band of white across the bottom approximately an inch in depth.

The meeting broke up, and off with his newly hatched idea went one of the men to see the makers of "Snow Crest" beverages, a concern that had done little or no



Publisher
Cushing



Ad Director
Hoftzyer

newspaper advertising. He came back with a contract, having sold the manufacturers on using this space for an advertising cartoon strip of their own. By this time, there's substantial reason to believe that the Snow Crest conversion to advertising is more than transitory, and other media beside the *Record* may benefit from an increased appropriation next year.

This is a typical, rather than an unusual, example of the way the *Record* has gone about its job of selling a tabloid to advertisers.

In 1930, when John T. Cushing came to the Boston *Daily Record* as its publisher, with Ernest Hoftzyer as director of advertising, the paper had reported a paid circulation of 192,657. It was getting only about 5% of the total paid advertising in Boston.

Circulation and Advertising Soared

Against the ebb tide of the depression—through '31, '32, '33—the *Record*, under the editorship of James Murphy, plugged away at the job of winning a stronger position for itself in the Boston market. A well-rounded editorial policy, keyed to the tempo of the times, and including a dozen or more features aimed at the home-maker—patterns (50,968 orders each bearing 15 cents in 1933), food news, household arts, and the like—pushed circulation steadily ahead. More and more Bostonians took to the tabloid idea. Last A.B.C. statement of net paid recorded 393,462, sealing the *Record's* claim to second place with New England daily field,* tenth among morning newspapers in the United States.

The story on paid advertising is a parallel. The bank holiday of disastrous

* Exceeded only by its able competitor, The Boston Post.

March, 1933, interrupted 22 consecutive months of gain in lineage. But the jinx was routed promptly in April, and 16 more consecutive months of gain have been chalked up since.

Occupied as much with efforts to improve their position in the Boston field as with beating their own best figures, Advertising Director Ernest Hoftzyer in July, 1934, happily reported to his publisher that the *Record* in that year had earned 11% of the paid advertising among Boston daily newspaper media. Twice during the depression—once in 1931, again in 1932, the *Record* jumped its national advertising rate—from 30 to 35 cents, from 35 to 40. The local rate was increased twice, once from 25 to 26, then from 26 to 27.

Cannily recognizing that the housewife's biggest problem is "What'll we have for dinner?", the *Record* has emphasized food news editorially with daily recipes, and a special food section in each Saturday edition. In April of this year, they ran a "special"—a 12-page "cook book" which netted nearly 8,000 lines of additional business. Food advertisers, both national and local, have not been unappreciative—37 months of consecutive gain in food business prove it. The big chains in Boston are now regular advertisers.

"Idea and Development" Dept.

Notions like the cartoon copy for Snow Crest emanate from the "Idea and Development" department at the *Record*. This department (it really isn't a separate entity—all the men on the business side of the paper put a finger in it) doesn't believe in accepting any days as "bad" days for advertising—the days before holidays, for instance. Last year they had four full pages of copy from the Gilchrist store on the day before the Fourth of July, when Summer heat hung heavily over Boston and "everybody" (so it seemed) was heading for the seashore. The *Record* got this business because they created it—conceived the original idea of a sale built around the "Cool Savings" idea, even built small dummy window displays featuring huge thermometers for the Gilchrist display man to use for his pattern in arranging Washington Street windows. Gilchrist had more than one department that (as the department store men say) "boiled" as a result, enjoyed an unusual return.

To illustrate how adept the *Record* staff has become in profitably merchandising the make-up of their own paper, Sumner C. Jacobs, local advertising manager, working with the cooperation of the Filene advertising department, made a discovery last March that by eliminating the "gutter" which runs between a double page spread, a double-truck effect could be made of two facing pages. As a result of thus making space work harder, Filene's alone have used seventeen of these double page spreads since March 13. This, in addition to the almost daily copy in smaller sizes, brought the Filene lineage up 80% for the year to date.

Perhaps a not inconsiderable element in the progress made by this tabloid in staid New England, is the paper's penchant for editorial "crusades." One substantial example is their drive for police radio cars in

Boston. The Police Department had looked upon these as impractical, saying they couldn't be made to work because of certain "blind spots" in the city where radio reception was impossible.

The *Record* sent out a corps of engineers to test these so-called blind spots, proved they could be overcome with the right equipment.

After two years the campaign came to fruition. Within the past month wire services carried to other cities the announcement that Boston is installing a complete police radio system for the protection of her citizens. This campaign, and others of the same public interest, have gotten the *Record* talked about.

Key element in the *Record's* promotion is delivery regularly to advertisers and their agents of the current day's copy of the tabloid with the front page replated to carry their own advertising. Often big charts picturing business and circulation gains are used, occasionally a testimonial from some satisfied space-user. It is the "everlastingly at it" type which builds up a cumulative effect. As a left-handed sort of advantage, National Advertising Manager William T. Cavanaugh mentions that the man who sees it doesn't mind throwing it away. But dollars to dimes it gets read, leaves its message. "The *Record* doesn't ever want to do a 'set piece' of promotion—anything so elaborate and weighty that the advertiser will promptly feel the impulse to put it away in his files to save until he gets the time to read it."

In discussing the paper's advancement, Ernest Hoftzyer has this to say: "If we've made a record which surpasses that of any other newspaper in the United States during the depression (and I believe we have), it's because of a sheer unwillingness to accept obstacles as insurmountable. We have here a staff of very young men—their average age can't be over 32—who haven't been too tradition-minded to try many new things."

The SALES MANAGEMENT reporter asked the president of an advertising agency what he thought of the *Record* as a "buy." Said he: "Well, there's just one thing: Boston isn't all Cabots and Lowells. There is a big, responsive mass market there, and the *Record* seems to be finding a way to sell it."

Aloha Mr. President

On July 18, when the President stepped ashore at Honolulu, he was greeted by thousands of people and by a 118-page edition of Hawaii's leading newspaper, the Honolulu *Star-Bulletin*. Nearly every one of the hundreds of display advertisements—which totaled 97,131 lines—were directed to the President: restaurants, for example, both large and small, joined together with pages headed, "To your health, Mr. President! Here's to you, sir, you are that rare type of man who keeps his campaign promises—may you live long and prosper."

If the President is susceptible to flattery he would be likely to go back to Washington filled with determination to do something for the islanders—preferably something to do with sugar. Nearly every page, and especially the advertising pages,

SALES MANAGEMENT

had almost lyrical praise of the man, and one or more photographs. So far as SM editors can determine, it was the largest weekday edition of any newspaper published in recent years.

Publication News

John Hanrahan has added to his list of magazines a new quarterly called "Creative Design." The first issue, published August 20, was sold out within a few days. . . . The Reuben H. Donnelly Corporation has purchased the *Starch Room Laundry Journal*. . . . Helen Watts Schreiber, nationally known food authority and lecturer, has become Prudence Penny, head of the New York *American Home Makers Department*. . . . *Electrical World*, a McGraw-Hill publication, henceforth will appear every other week instead of weekly as heretofore. . . . The *American Architect* apparently thinks that the building business will improve, for after a period as a bi-monthly magazine, it returns to its monthly basis, effective with the October issue. . . . The Breskin & Charlton Publishing Corporation purchased *Plastics Products*, and are combining it with a new publication known as *Modern Plastics*, which makes its first appearance this week.

Drugs Lead On Air

Since 1928 the list of biggest advertisers on the networks has undergone many changes:

	1928	1933	1934 (6 Mos.)
Drugs and toilet goods...	4	2	1
Foods and food beverages...	5	1	2
Cigars, cigarettes & tob...	10	4	3
Automotive	3	5	4
Lub. petr. prod. & fuel...	11	3	5
Soaps & housekeepers sup.	13	7	6
Confectionery & soft drinks	6	6	7
Financial & insurance...	7	8	8
House furn. & furnishings	9	11	9
Wines, beer & liquors...	—	—	10
Radios, phono. & mus. instr.	1	9	11
Clothing & dry goods...	15	10	12
Stationery & publishers	8	12	13
Office equipment	20	15	14
Paints & hardware	19	13	15
Miscellaneous	2	14	16
Building materials & equip.	18	17	17
Travel & hotels	14	16	18
Garden & field	22	20	19
Mach., farm equip. & sup.	21	18	20
Jewelry & silverware	16	19	21
Shoes, furn., trunks & bags	12	21	—
Sporting goods	17	—	—

Milwaukee Journal's Houses

The Milwaukee *Journal* is preparing to cut itself a juicy slice of the building work promised through the Federal Housing Act, and has purchased three houses for practical demonstration purposes. Frequent news stories in pictures will show how to go about every step in a remodeling project. Leading groups relating to building have joined in putting on a demonstration. The Milwaukee Real Estate Board, which first appraised the properties, will handle the sales when the renovation work is completed, and any profits will be turned over to the Milwaukee Community Fund.

Account Changes

Rapidol Distributing Corporation—radio and newspaper advertising to Redfield-Coupe, Inc. . . . Ault-Shackford Shoe Company, Auburn, Maine, Air-Tred shoes for women, to H. B. Humphrey Company, Boston. . . . Ross Federal Service, Inc., to William H. Rankin Company. . . . Golden Guernsey, Inc., Peterboro, New Hampshire, promoters of the sale of Golden Guernsey products, to N. W. Ayer & Son, Inc. . . . Rockefeller Center, Inc., to Cowan & Dengler, Inc. . . . Hygrade Food Products Company to N. W. Ayer & Son. . . . Im-

perial Paper & Color Corporation, Glens Falls, New York, to J. M. Mathes, Inc. . . . Cammeyer women's shoes, Seabury & Johnson, Edrolax, and London Character Shoes for men, to Lawrence Fertig & Company, Inc. . . . Brown-Forman Distillery Company, Louisville, to Ruthrauff & Ryan, Inc.

Formal Makes Debut

A newcomer enters the college magazine field September 25 when *Formal* appears on campus newsstands. A monthly, the publication is described as "a sophisticated, intelligent magazine" combining, to some extent, the editorial manners of the *New Yorker* and *Esquire*.

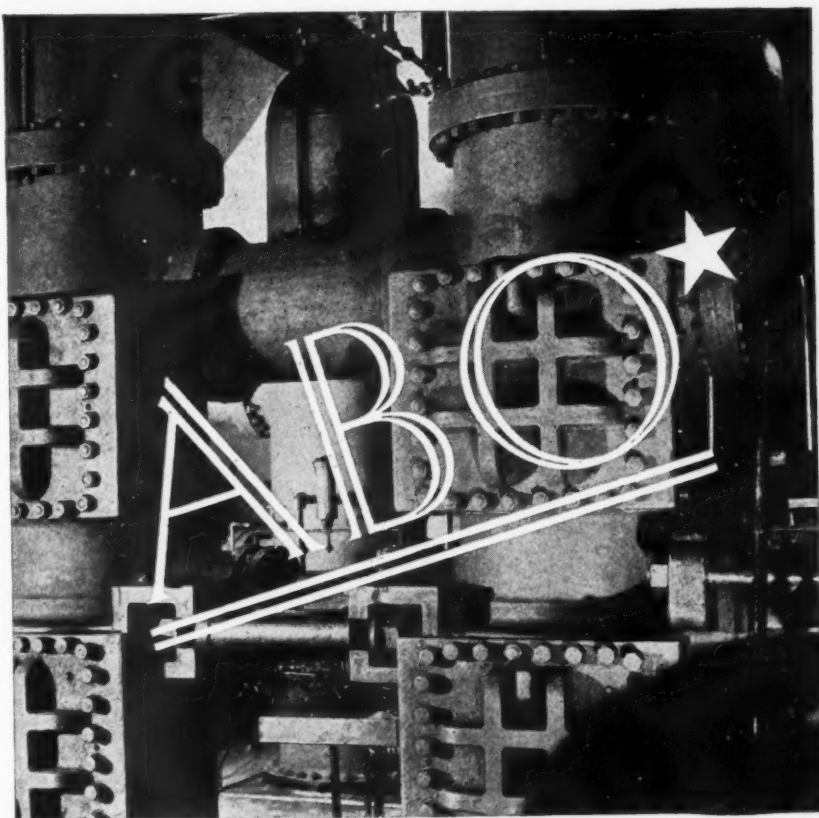
H. L. Laupenheimer is president of the publishing company; Hunter Etheridge, advertising manager; Marian Weaver, editor; Charles Van Cott, managing editor.

Priced at 25 cents a copy, \$2 a year, *Formal* starts with 30,000 circulation.

NOⁱⁿ drouth Southern Wisconsin

Crops 85% of Normal and at Higher Prices. Semi-monthly Milk Checks Higher. A Good Market Getting Better.

Janesville, (Wis.) Gazette
Radio Station WCLO



Good advertising like good salesmanship doesn't waste calls. Know ABO* coverage

*ACTIVE BUYERS ONLY

MILL & FACTORY

A CONOVER-MAST PUBLICATION

205 E. 42nd St., New York City . . . 333 N. Michigan Ave., Chicago

(A-8611)

Prorated Shipments Maintain Prices for Citrus Fruit Growers

BY HARRY E. PIERSON

Statistician, California-Arizona Citrus Marketing Agreement

A NEW angle in the distribution and merchandising of farm products has been brought about by the functioning of the Agricultural Adjustment Administration. An outstanding example is afforded by the manner in which oranges and grapefruit have come under the regulatory influence of a Citrus Marketing Agreement. A six months' period has been completed in the marketing of citrus fruit under the California-Arizona Citrus Marketing Agreement, and the story of the half-year is a significant one in establishing a precedent for newer, more modern distribution and merchandising.

Ship Only Better Quality

Each week, the Authority set up under the California-Arizona Citrus Marketing Agreement has limited the shipments of oranges and grapefruit for the continental United States and Canada to a specific number of cars. For example, a prorate of 1,200 cars of Valencia oranges and 100 cars of summer grapefruit was set by the Distribution Committee for the movement between midnight of the 11th day of August and the 18th day of August, 1934. In this marketing of citrus fruit, stress has been placed on the establishment of consumer-grower relationships to carry out the spirit of the Agricultural Adjustment Act.

But even before official steps were taken to bring about and maintain a balance between production and consumption of agricultural commodities, there was well established in California a cooperative marketing movement that had as its keynote "intelligent distribution." It was in October of 1885, with the formation of the Orange Growers' Protective Union, that a well-defined tendency for cooperative marketing began.

Two outstanding organizations marketing fruit on a cooperative basis have emerged—the California Fruit Growers' Exchange of Los Angeles and the Mutual Orange Distributors of Redlands. The history of the California Fruit Growers' Exchange runs back to 1893, and in the past 15 years the organization has marketed an average of more than \$68,000,000 of citrus fruit annually. For more than a quarter of a century this big

marketing cooperative has been definitely committed to a policy of national advertising, spending for this more than \$18,000,000 in 26 years.

For years, in California, it has been the practice to ship only the better grades of citrus fruit to market. Thus nation-wide reputations have been built up for the familiar brands—Sun-kist, Pure Gold, Red Ball, etc. With production mounting to unprecedented heights in the period after the war, even greater care was taken in selecting the fruit to move to market. A definite program began evolving—a program to balance the volume of shipments against consumer demand.

In the case of lemons, a system of proration has been in vogue for ten years, and during the course of several seasons as much as 22% of the total crop was eliminated from fresh fruit trade channels. Naturally a good deal of stress has been placed on the development of by-products and of export markets.

Supply Keyed to Demand

Three years ago the proration idea was developed still further to take in Valencia oranges and the citrus industry continued to put constructive effort into programs that are practically echoed in the purposes so sharply stated in the Agricultural Adjustment Act. The California-Arizona Citrus Marketing Agreement repeats the Agricultural Adjustment Act by declaring that it shall strive to establish and maintain balance between the production and consumption of agricultural commodities and marketing conditions, that it shall proceed as rapidly as possible in this connection in view of current consumptive demand and that it shall protect the consumers' interests by readjusting farm production at such levels as will not increase the consumers' retail expenditures.

The responsibility of administering the agreement has rested with two committees. A Growers Advisory Committee and a Distribution Committee work together; each committee is made up of eight members. No one can be on both committees and members of the Growers Advisory Committee are required to be growers of oranges and grapefruit. The Dis-

tribution Committee, however, is made up of executives drafted from among the shipping organizations of the citrus fruit industry. All committeemen serve without pay, but receive traveling expenses to bring them to the weekly or bi-weekly meetings held at headquarters in Los Angeles.

With the aid of comprehensive data on marketing conditions for citrus fruit, the Distribution Committee has gauged well the supply of fruit to match consumer demand. Week by week, a specific number of cars of oranges and grapefruit have been authorized for shipment to the domestic markets. The shipping organizations have kept within allotments issued them and the general results have proved eminently satisfactory.

In the first six months' operations of the California-Arizona Citrus Marketing Agreement the price of oranges as reflected by a weekly average of 11 auction markets in major cities was not depressed below \$2.76 per box and during a week in June the price reached \$5.05 per box. This was in sharp contrast to the distress prices of the past three years and the very unsatisfactory conditions that existed for growers and shippers of citrus fruit.

Improving purchasing power has been instrumental in helping the industry bring about a greatly improved situation. But care has been taken to keep the consumer in beneficial relationship to the marketing program. Widespread advertising campaigns are continuing and the operations of the California-Arizona Citrus Marketing Agreement are consolidating along a solid front. Present arrangements are assuming all the characteristics of permanence.

Steel Beer Barrel Makers Start Nationwide Campaign

Using a small newspaper advertising schedule in New York, Chicago and Pittsburgh, and employing radio and films, Associated Manufacturers of Steel Beer Barrels, Cleveland, are starting out to convince people their product helps make beer better and easier to handle. The 50-line newspaper ads plug the 15-minute radio shows, "Kings and Queens of Sport," Thursdays and Fridays over WOR, New York; KDKA, Pittsburgh, and WMAQ, Chicago. A booklet, "Beer in Steel," will answer radio queries.

A sound picture, in color, "Science Marches On," made by Films of Commerce, Inc., will be shown to executives and workers in the brewing industry. It shows how steel has replaced wood in many industrial uses and, dramatically, why it should replace wood beer containers.

SALES MANAGEMENT



... Everybody was talking

Talking Points

The AMERICAN OIL COMPANY used a series of four teaser ads, of which the above is a typical sample, in a recent issue of the *Hartford Times*. The advertisement on page 9 carried a huge picture of what they call "The world's newest, biggest, most modern refining unit." The company then goes on to state that they had to build this unit to create "New-Action Orange American Gas—to adapt an entirely different principle of refining."

VOSS WASHING MACHINE distributors are giving away the following items with the \$49.50 model: metal tub; 24 clothes pins; a 50-foot clothes line; rubber filler hose; 20 packages of Rinso; enamel hamper.

Gift items loom large in the newspapers and magazines today. MAY-STERN & COMPANY, in the *Pittsburgh Press*, uses a full page to advertise two thousand \$40 bicycles or Mix-masters free with purchases of Norge refrigerators, while the makers of WHITE KING toilet soap go into the Kansas City market with an offer of a bottle of Nadji perfume in exchange for seven White King toilet soap wrappers.

PARKE, DAVIS & COMPANY, in the Ohio drug survey, published in our August 15 issue, had an extraordinarily high rating. Many druggists commended them for their "fine ethical advertising." They referred to the long continued series in which the company pays tribute to druggists, dentists and doctors. Their current magazine page is headed, "The Last Doctor Died Today" and shows a large group of frightened people weeping

over the sight of the crepe hanging on a door.

The GENERAL CIGAR COMPANY combats the growing trend toward cigarettes by playing up a slogan, in words and picture, "Cigars for men, cigarettes for women."

WALTER CHRYSLER's current contribution to the world's new advertising ideas is the "Floating Ride." His brain trust has figured out that there is a certain rhythm that's friendly to your nerves. That rhythm, the copy and illustrations say, is 90-100 cycles (steps) per minute. Even a slight increase in this rate tends to cause fatigue. The moral is that a ride in the

conventional car is at the rate of 125 and more cycles per minute, while the Floating Ride in the Airflow Chryslers has a periodicity of spring action which is practically identical with the rhythm of your walk. It's all very involved but quite interesting, but his shot at the "conventional ride" would seem to be a dig at his own Plymouths and Dodges, as well as competing makes.

PICKWICK ALE, in the Worcester *Daily Telegram* claims to have found a way of so controlling their brewing, fermenting, and aging processes so that heat treating is unnecessary. So they tell the public their draught ale is available in bottles from this day on.

IT DARES TO BE DIFFERENT



POINT OF
DIFFERENCE NO. 5

17,918 "TIE-IN" Advertisements

These local advertisements were placed in *The Christian Science Monitor* during 1933 by retail merchants — at their own expense — and featured products also advertised nationally in the *Monitor*. 191 national advertisers thus received additional publicity at no cost to them. This unique merchandising service—called *Dealer-izing*—greatly enhances the value of space in this unusual advertising medium.

THE CHRISTIAN SCIENCE MONITOR

Published by The Christian Science Publishing Society
Boston, Massachusetts

NEW YORK OFFICE—500 FIFTH AVENUE

Other Branch Offices: Chicago, Detroit, St. Louis,
Kansas City, San Francisco, Los Angeles, Seattle, Miami,
London, Paris, Berlin, Florence, Geneva.



AN INTERNATIONAL DAILY NEWSPAPER

Sales Letters

BY MAXWELL DROKE

Double Post Card Statements Legal, Despite P. O.'s Petulance

Some months ago, in answer to an inquiry, I discussed in these columns the practice of using double post-cards for the mailing of monthly statements. At that time post-card statements were just coming into vogue. In the interval the idea has flourished and blossomed, even as the bay tree (I trust, for the sake of accuracy, that a bay tree *does* blossom!). As a result, the Third Assistant Postmaster General, with a nice mixture of chagrin and petulance, has seen fit to issue a statement to his henchmen, as follows:

"Attention is called to the growing practice of many persons of sending monthly statements, etc., on 1-cent double post-cards. While double or reply cards, each portion of which conforms to the conditions prescribed for post-cards, are chargeable when mailed with 1-cent postage, this applies only to cards having a bona-fide reply portion, which it is expected will be used for replying to the original sender.

"However, in most cases where statements of account and similar communications are sent out on double reply post-cards, the so-called reply portion is never used by the recipient, nor is this expected when the statement is originally sent out. The reply portion of such cards is a mere subterfuge, the real purpose thereof being to give a measure of privacy to a personal statement of account on the inside of the folded card.

"Postmasters are, therefore, requested to give this matter close attention, and in all cases where it is obvious that double cards are mailed with so-called reply portion attached for another purpose than that of being used as such by the recipient, the letter rate of postage should be charged."

We quote this statement as a matter of information, but at the same time beg leave to submit a dissenting opinion. So long as a double post-card is prepared with due regard to the regulations as to size, form, etc., and the contents are not deemed unavailable, we fail to see where the Post Office Department has any authority to intervene. At any rate, this should make an interesting test case, if a mailer were disposed to make an issue of the matter.

I am not a strong adherent of the double post-card statement form. It strikes me as rather lacking in dignity and prestige—and also likely to be misplaced before it has served its intended purpose. But at the same time I feel that the Third Assistant Postmaster General's order is illogical and flagrantly unfair.

[2 2 4]



Maxwell Droke

Standing Invitation

Mr. Droke is always glad to criticize sales letters and direct mail messages for our subscribers. There is no cost or obligation for this service. Address him in care of SALES MANAGEMENT, enclosing a stamped, addressed envelope.

How One Firm Followed Up Its "Fair" Exhibit Visitors

Commenting on my recent diatribe concerning the lax inquiry-handling methods prevalent among exhibitors at the World's Fair last season, Mr. H. J. Beeby, sales promotion manager of Altorfer Brothers Company, hastens to assure me that there are exceptions—his own company being a notable example. This fact I am quite ready to admit, after examining the carefully prepared record cards, form letters and mailings which go out to prospects gleaned from the Altorfer (ABC washing machine) exhibit in the Electrical Building.

I am particularly impressed with a colorful broadside, mailed in January of this year, to every housewife who visited the ABC exhibit at the Fair in 1933, and registered her name. This is titled, "Do You Remember?" with a sub caption, "It will be interesting to check up on your memory." Inside, there is a large reproduction of the washer, with the statement:

This is the "World's Fair" Washer you saw at "A Century of Progress" . . . Here we give you the same talk you heard at the ABC Exhibit. . . . How much of it do you remember? That's what I call an ingenious tie-up!

Sell Dealers on Your Help and They'll Help You Sell

Many times and oft I have proclaimed that a sales promotion program should be sold to a dealer just as enthusiastically and convincingly as you sell the merchandise itself. That's why I like this letter, used by the United States Stove Corporation to announce a forthcoming program. Dealers are told, with just enough showmanship, what the company will do to help them:

"I am going to try to help you sell more stoves, and make more profits. Since 1870, we have studied the stove-selling experience, failures and successes, of thousands of dealers. Now, we are going to tell you about stove-selling plans that have increased dealers' sales and profits—about mistakes that dealers have made, and how to avoid them.

"Each month, a letter or bulletin will give you facts about successful selling plans and contests, stock arrangement and floor displays, how clerks can sell more, building customer good will, increasing turnover and profits, etc.

"We are going to help you in other ways. When you order a U. S. stove or heater, you will receive with the invoice

(if you request it) a list of its features which you, or a clerk, can refer to when showing the stove to a customer. Our salesmen are eager to serve you better. Our designers and production men are making our stoves and heaters handsomer, stronger, more efficient than ever. We aim to make 1934, and every succeeding year, more profitable for our dealers.

"It can be done. Folks need new stoves and heaters. (We will tell you how to estimate the number of possible stove-sales in your community in the next 12 months.) We will tell you what other dealers have done, are doing, to get their share of increasing stove sales. If you use these selling plans, you should sell more. So watch for the first bulletin. It will be along very soon, now."

* * *

To the Schuylkill Valley Mills, Inc., Spring City, Pennsylvania, go my thanks for the coining of an ingenious new word. I've always been rather up against it to designate properly those reproductions of publication advertisements which are circulated to dealers in advance of the campaign. To call them "reprints" is obviously inaccurate. Schuylkill solves the problem neatly and logically with—"preprint."

Promotion Tailored to Buyer's Profession Brings Results

As an ardent advocate of the specialized appeal, I read, with an appreciative chuckle, this letter recently dispatched by the San Francisco News to credit executives of that city. It bears the signature of the paper's credit man. Results, I am told, were quite satisfactory:

"You have a new High Credit Rating. I just gave it to you. From now on you can take seventy-five cents in merchandise from us every month you wish. And that small investment will pay you plenty in reading satisfaction, knowledge of what's going on in this old world, and just where the New Deal is heading.

"And that's just beginning to tell you some of the advantages you'll get by subscribing to the News. You'll be able to get your mind off of poor credit risks at the end of a tough day. That alone is worth a lot of the hard-earned money you get by keeping your firm's collection record.

"Think of it—only seventy-five cents a month for world, national, state and city news that's RELIABLE! Columns by famous writers! Sport pages that merit your attention! Financial pages that are complete with the day's news a few minutes after the market closes! An editorial page that really expresses opinions! (Some of them, particularly those in favor of Federal Bankruptcy law reforms, will delight you.) News behind important news stories in the "Whirligig"! Drama! Features! Pictures! Comics! Everything!

"Do yourself a favor. Just sign the enclosed card and get acquainted with San Francisco's best and fastest-growing newspaper. Make use of your Credit Rating. You'll enjoy it—I'll appreciate it."

SALES MANAGEMENT

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What Are People Drinking— in the Syracuse Area?

(Continued from page 187)

with the masses and the upper classes. This holds true with coffee and the other beverages studied. The middle classes are the chief support of the independents.

Thirty-eight brands of tea were found, but 18% of the families were not tea drinkers. Leading brands:

Salada	53
Bulk	19
Cream of Harvest	12
Chase & Sanborn	9
A & P	9
Nectar (A & P)	8
Lipton	8

More than 68% of the tea had been bought in packages of a half-pound or less, and the chains had 54% of the business. Two-thirds of it had been bought within the week.

Chocolate isn't a popular drink in Oswego and Fulton. Only 93 of the 208 families had it on hand. Among the nine brands found, Baker was in 68 homes, Hershey in 8, Peters in 7. Half-pound packages were most popular and slightly more than half of it came from independents.

General Foods' Walter Baker also scored heavily among the brands of cocoa:

Baker	68
None	33
Hershey	31
Peters	18
Oxheart	12
Long's	12
Our Mothers	10
Iona (A & P)	7
Nestle's	2

Again the independents scored over the chains, but by a narrow margin. Half of the families had a half-pound, or less.

Less than a third of the families had ginger ale, and 60% came from the chains. The quart size was nearly twice as popular as the pint. Twenty-eight families had from 2 to 6 bottles, 6 had more than a half-dozen. Only 10 brands were in evidence:

Hyandry	27
Clicquot	17
Canada Dry	9
House's	4

Grape Juice was found in only 17% of the homes. Welch was in 21, Taylor's in 2 and five families made their own. Independents were the more popular purveyors.

Apparently they take it straight in Oswego and Fulton homes. Not a single bottle of White Rock or other sparkling water. A few bottles of root beer and soda pop were all that turned up.

Beer, too, Consumed Outside

One or more bottles of beer were in 18% of the homes, and no one brand could be called the popular favorite. Pabst, Budweiser, and Bass Ale did as well as any of the local or sectional brands. Chains did about a third of the business. In ten homes there were case lots, in another ten were from 2 to 6 bottles, in the rest singles. Many family spokesmen volunteered the information that they preferred having their beer in beer gardens or restaurants.

What Do They Read?

Most of the homes in both cities (94.5%) read an evening newspaper. Oswego has an evening daily, the *Palladium-Times*, which was read in a majority of the Oswego homes and in 15% of those in Fulton fifteen miles away. The *Syracuse Journal* weekday editions reached 27% of the 208 homes in the two cities (Fulton 47%; Oswego 10%) and the *Syracuse Herald* daily edition 23% (Fulton 45%; Oswego 5%). Fulton has no daily paper. (These homes were in general conformity with typical newspaper families but there were certain variations, since A. B. C. figures show the following percentages of coverage of the total number of homes in the two cities: *Journal* 32.9% and *Herald* 19%.)

Morning newspapers are read in 37% of the Fulton homes visited, and in 30% of those in Oswego. Aside from a few scattered subscriptions to the *New York Times* and the *New York Herald Tribune*, the daily edition of the *Syracuse Post Standard* has the morning field sewed up. It is read regularly in 32% of the homes covered in the survey (Fulton 37%, Oswego 28%). (A. B. C. figures show that the *Post Standard* covers 26.6% of the 8,764 homes in the two cities.)

Copies of current magazines were found in 72% of the homes in the two cities (67% in Oswego and 78% in Fulton). Approximately sixty different magazines were found—a total of 411 copies, or 2.7 copies per magazine-reading family. Only three out of the fifteen magazines most popular in the two cities accept liquor advertising. *Good Housekeeping* was found in the most homes, followed by *Saturday Evening Post*, *Ladies Home Journal*, *American*, and *McCall's*.

MEN WHO "KNOW IT ALL" are not invited to read this

THIS MESSAGE is not for the wise young man who is perfectly satisfied with himself and his business equipment.

It is for the man who feels that he ought to be earning several thousand dollars more a year, but simply lacks the confidence necessary to lay hold on one of the bigger places in business. He realizes that business has radically changed in the last few years, but he doesn't know all the new rules that have to be mastered.

We should like to put into the hands of every such man a copy of a little book that contains the seeds of self-confidence. It is called "What a Business Man Must Know Today," and it will be sent without obligation. It contains the announcement of the Institute's new Course and Service. This Course is an up-to-the-minute business aid; its contributors include such outstanding business leaders as Alfred P. Sloan, Jr., David Sarnoff, Colby M. Chester, Bruce Barton and many others equally prominent.

FOR THE MAN WHO WANTS TO BE INDEPENDENT 5 YEARS FROM TODAY

For the man who is perfectly content with himself and his job, the Alexander Hamilton Institute can do nothing. But there are thousands of men who could double their financial security if they believed in themselves and had the solid business knowledge to back up their belief.

The little book pictured below should be read by every man who expects to win a secure place for himself in the next five years. It explains some of the changes which are taking place in business today. It contains the condensed results of 25 years' experience in helping men to forge ahead financially. The coupon below will bring it to your desk. Send for your copy today.



To the Alexander Hamilton Institute, 769 Astor Place, New York, N. Y. Send me "What a Business Man Must Know Today," which I may keep without charge.

Name

Business Address

Business Position..... Age.....

Magazine and Radio Expenditures

Special Report Compiled for SALES MANAGEMENT by Advertising Record Company, Chicago

CLASS	Product Classification	NATIONAL MAGAZINES				NATIONAL NETWORK RADIO BROADCASTING			
		Aug. Monthly Totals 1933	1934	Aug. Cumulative Totals 1933	1934	July Monthly Totals 1933	1934	July Cumulative Totals 1933	1934
1—Automotive Industry		\$ 791,062	\$ 996,678	\$ 5,965,086	\$ 9,382,263	\$ 127,734	\$ 188,387	\$ 1,051,583	\$ 2,146,998
2—Building Materials		97,365	131,459	961,251	1,405,501	Nothing	Nothing	Nothing	83,187
3—Cigars, Cigarettes & Tobacco		360,829	460,542	2,718,006	3,438,406	162,355	93,494	1,909,289	2,161,675
4—Clothing & Dry Goods		78,084	113,447	1,357,854	2,082,973	8,910	27,025	242,373	203,135
5—Confectionery & Soft Drinks		176,397	226,180	980,027	1,161,852	38,264	67,944	576,411	771,488
6—Drugs & Toilet Goods		1,384,537	1,697,855	13,972,593	15,277,320	412,774	921,485	4,150,841	7,744,516
7—Financial & Insurance		167,465	195,170	1,395,865	1,661,580	49,678	36,121	374,082	380,485
8—Foods & Food Beverages		1,016,154	1,329,988	12,332,204	12,704,819	567,011	688,131	4,985,091	6,575,314
9—Garden & Field		5,129	7,917	342,492	400,649	Nothing	Nothing	18,922	28,481
10—House Furniture & Furnishings		127,911	183,255	2,763,163	4,163,880	23,305	11,835	286,218	301,379
11—Jewelry & Silverware		25,292	35,520	325,163	742,238	Nothing	Nothing	10,450	11,773
12—Lubricants & Petroleum Products		319,554	248,085	1,720,181	1,592,527	249,579	187,775	2,157,869	1,644,305
13—Mach., Farm Equip. & Mechan. Sup.		23,582	41,271	190,609	268,000	Nothing	Nothing	20,657	15,040
14—Office Equipment		13,129	70,372	221,399	661,558	Nothing	Nothing	37,344	135,856
15—Paints & Hardware		1,600	23,793	417,497	754,901	9,411	5,328	78,877	124,452
16—Radios, Phonographs & Mus. Instr.		101,361	63,743	492,243	669,354	46,717	34,188	318,311	278,495
17—Schools & Correspondence Courses		135,339	142,625	1,004,197	959,596	Nothing	Nothing	Nothing	Nothing
18—Shoes & Leather Goods		12,653	38,574	701,864	891,089	Nothing	Nothing	8,743	Nothing
19—Soaps & Housekeepers' Supp.		437,703	438,148	4,574,781	4,596,910	63,794	141,061	539,856	1,199,465
20—Sporting Goods		127,279	179,270	771,614	1,095,991	Nothing	Nothing	Nothing	Nothing
21—Stationery & Publishers		92,334	82,324	874,859	1,096,259	3,755	26,519	148,923	185,069
22—Travel & Hotels		125,676	151,630	1,925,584	2,556,491	49,476	3,944	100,834	84,417
23—Wines, Beer & Liquors		80,851	221,718	140,154	1,654,026	Nothing	57,389	Nothing	327,415
24—Miscellaneous		123,229	211,525	1,270,817	1,958,009	3,644	4,084	70,411	94,629
		\$5,824,515	\$7,291,089	\$57,419,503	\$71,176,192	\$1,816,407	\$2,494,710	\$17,087,085	\$24,493,574

Note—The National Magazines checked total 77 publications, 11 weeklies and semi-monthlies, and 66 monthlies. The monthly totals on national magazines are based on August publications for the monthlies, but including *Vogue*. The other weeklies and semi-monthlies are July publications. All figures are based on the one-time or single insertion rate.

Note—The Network Radio Broadcasting figures cover all national or chain broadcasting carried over the networks of the National Broadcasting Company and Columbia Broadcasting System. The figures cover facilities only and do not include talent.

Are Salesmen "Through" at Forty?

(Continued from page 191)

physical disabilities, men measure up in all sorts of ways.

No sales manager ought to hire a salesman toward whom he feels a definite antagonism. This antagonism may be based either on an objection to the kind of ties and boots he wears, or upon the fact that he believes in the Silver Standard, or that he resembles a detested brother-in-law, or on some vague quality too nebulous to be recognized.

The sales manager's conception of a man for his sales force is, in a way, as definite as his ideal of the woman he marries. There are men who are innately antagonistic because they belong to opposing human patterns. It is futile to fight against this, for it goes deep into the subconscious and cannot be eradicated. This does not, of course, mean that if the sales manager hires "his pattern" he will always avoid friction. Men persistently marry the same type of woman, no matter how many times their marriage goes wrong, so that people are heard

marveling: "What in the world does Jones marry Mary Decker for? She's as much like Katherine, whom he divorced last year, as a twin." There is no marvel about it. Jones is merely following the pattern that appeals to him. It is this which applies to the sales manager's reactions to the men he hires.

The rubber stamp questions by which the salesman is interviewed ought to be replaced by clever, man-to-man, searching but friendly conversations, which should be leisurely enough to take away the tension from the applicant for the position, relax him and allow his real self to appear. After all, it is this real self which is going to be the actual, determining factor in his success or failure.

It is this recognition of the individual, this attitude of personal interest, which is coming more and more to be the newer attitude of business. The professions were smart enough to do it first. The professions are now taking the other great step of counting of actual working years and not birth dates.

We need to remember that formerly the actor who got officially beyond

forty was considered about ready for the undertaker. The great "come-back" which many of our veteran actors and actresses have made in the last five years is not a straw, but a whole haystack flying in the wind to show us how a sounder viewpoint is beginning to sway the world which does our best thinking.

The Arabs have a saying: "The colt to outrun the lion, the four year horse to carry the day." The lion makes, you see, a short, and incredibly swift rush. The skittish and long-legged very young horse is capable of an equally swift rush, but he cannot carry his master with speed throughout the desert's sun of the long day. It is the four, five and eight year old horse which can pull the loads; the yearlings break under them. These are considerations which apply to the salesman, as well.

Bosworth Joins Torridheet

M. F. Bosworth, formerly with J. Walter Thompson Company and Corday & Gross Company, has been appointed advertising and sales promotion manager of the Torridheet division of the Cleveland Steel Products Corporation, Cleveland, Ohio, makers of Torridheet oil burners.



Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office, please use a separate letterhead for each booklet requested, to facilitate handling. The address is SALES MANAGEMENT Readers' Service Bureau, 420 Lexington Avenue, New York, N. Y.

Surveys for which a charge is made are so indicated. Requests for these, accompanied by the purchase price, should be mailed direct to the publishers.

An Invitation to Ride Herd With Arizona Al

For a downright different slant on newspaper and market promotion, from cover to cover, we recommend Arizona Al and his discourse on Phoenix. Ever been to Phoenix? Neither have we—but we like the way the *Republic* and *Gazette* have gone about the job of telling tenderfeet from East and West alike what the town's been doing since it grew out of its cow town clothes and became a polo playing wholesale center where tourists leave wads of dough and the cow ponies are mostly ridden by dude ranchers. Al mourns for the good old days—can't see Phoenix for the buildings—but he's proud of the town and its per capita buying power. If you sell in Phoenix, you'll want this copper-covered booklet and its cowboy lingo, maps and illustrations, with just enough statistics to prove it is a market study. If you don't sell there, expose yourself to Arizona Al—maybe it'll take. Write Fred Myers, Advertising Manager, the *Republic* and *Gazette*, Phoenix, Arizona.

Immediate and Future Sales Through the Boy-Market

What is the influence of a boy of high school age in the buying councils of his family when a new car is to be purchased—or a radio—or food? Not even the publishers of *The Open Road for Boys* attempt to answer that question precisely, but they know their boys and have some positive ideas on the importance of this market of over 1,500,000 youngsters. In two attractive booklets they have recently presented the (1) sales and (2) editorial background of the market, and in particular, the work which *The Open Road for Boys* is doing in that market. For statistics

and facts, booklet (1) offers every point a marketing executive needs for a consideration of the magazine. For an enlightening and rather amazing revelation of the work this magazine is doing in the interests of international good will, booklet (2) is well worth the attention of anyone. If you will try to visualize the power of 10,000,000 letters exchanged between American youngsters and boys in every corner of the globe, you will understand how this is no mere magazine of entertaining fiction, but a force that might well be reckoned with in matters of international harmony in years to come. Probably similar forces are at work through other channels. This particular one, however, is worth thoughtful consideration of business men for its practical as well as its emotional value. There should be a way to harness the attention and good will of these hundreds of thousands of boys to many products. The two booklets may be an introduction to such a plan. Write Lev Gleason, *The Open Road for Boys*, 122 East 42nd Street, New York City.

Magazine Circulation Available to Liquor Advertisers

An analysis by *Liberty* has just been released, and is available on request, showing circulation available to liquor advertisers in both wet and dry (or restricted) states, by 45 magazines which accept liquor advertising. Milline and page rates, black and white, also color, are shown, together with comparisons enabling liquor advertisers to see exactly what circulation can be secured by any one or any combination of magazines in wet states, and how the publishers will handle liquor copy in the states where such advertising is restricted. Aside from the listing of *Time* and *News Week* with the movie magazines, the report seems accurate and complete. An additional chart, showing similar information

graphically, is being prepared, and will be sent with the tabular report to those requesting copies from Everett R. Smith, Director of Marketing Research, *Liberty*, 420 Lexington Avenue, New York City.

A Break for Buyers and Sellers of Merchandise

Nearly 5,000 lines of merchandise, displayed under one roof that covers the largest building in the world—that is the claim for attention told and pictured in booklet form by The Merchandise Mart of Chicago. In operation four years, the mammoth display served 104,000 buyers, for a total of \$137,000,000, in 1933. Claiming leadership in the country for furniture lines, displaying 95% of all glassware lines, and listing an impressive gallery of firms displaying practically every article used in home or office, the Merchandise Mart makes a formidable bid to manufacturers of all lines. Write for "The Rialto of the Modern World," The Merchandise Mart, 222 North Bank Drive, Chicago.

16 Hours a Day

The Columbia Network works twice as long each day as the average business, for 365 days a year. Nearly three-fourths of its 16 daily hours of broadcasting are devoted to non-commercial programs. "16 Hours a Day" is a 50-page book describing the wide variety of programs presented during 1933 by CBS, including the major subjects of adult education, civic welfare, religious programs, international broadcasts, news events, drama, and entertainment. A valuable record of the serious business of keeping radio attuned to the wishes of the public, and constantly raising the standard of programs. Write for your copy, addressing Paul Kesten, Columbia Broadcasting System, 485 Madison Avenue, New York City.

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display.
Cash Basis Only. Remittance Must Accompany Order.

EXECUTIVES WANTED

SALARIED POSITIONS \$2,500 to \$26,000. This thoroughly organized advertising service of 24 years' recognized standing and reputation carries on preliminary negotiations for positions of the caliber indicated, through a procedure individualized to each client's personal requirements. Several weeks are required to negotiate and each individual must finance the moderate cost of his own campaign. Retaining fee, protected by a refund provision as stipulated in our agreement. Identity is covered and, if employed, present position protected. If you have actually earned over \$2,500, send only name and address for details. R. W. BIXBY, Inc., 118 Delward Bldg., Buffalo, N. Y.

SALES EXECUTIVE WANTED

WANTED: NATIONAL SALES MANAGER. Must be capable of recruiting and training house-to-house sales organization on nation-wide scale. Opening with one of America's strongest washing machine companies. A big opportunity for a big man. Experience in recruiting and handling house-to-house men essential. Long hours, hard work, a rough job, but the rewards will be equally large. Give full experience, etc., in first letter. If you can sell yourself, interview will be arranged. Address Box 413, SALES MANAGEMENT, 420 Lexington Ave., New York, N. Y.

POSITION WANTED

Being NEITHER YOUNG NOR BEAUTIFUL, I concentrate on being useful (vide Ben Franklin). Have been a trade paper editor for years, and now a free lance in search of work. Can write forceful and lucid English. Will prepare folders, booklets, catalogs, sales literature, at modest prices. Am competent and dependable. Can cover all details. Inquiries imply no obligation whatever. Frank W. Kirk, Room 1632, 333 N. Michigan Ave., Chicago. Phone: State 1266.

SALES PROMOTION AND ADVERTISING man: Fourteen years' experience. Versatile. Copy writing, layout, and finished art work. Booklets and window display. Have worked in advertising departments of manufacturer, department store and trade paper. Knows production. Address Box 411, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

SALESMAN: 20 YEARS' MECHANICAL AND electrical office equipment sales experience. Good record as salesman and executive. Age 45. For further information address Fred Glenny, 1148 Linden Ave., Akron, Ohio.

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A to Z

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SPECIAL LISTS: Sales Managers, Traffic Managers, Purchasing Agents, etc.

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C o m m e n t

THE BIG SCRAP IS ON: Ever since the New Deal first got under way with its promises of better things and better times, one major issue has been forging steadily to the front to dominate the stage. The issue is: Shall state socialization of business in progressive stages sweep the country or shall privately owned enterprise and the child of its creation—the *profit system*—prevail? Battle lines are now being drawn for what will amount to something approaching a knockdown and drag out fight on this superlatively important issue. . . . Since March, 1933, both business men and politicians have been motivated by a common interest in improving economic conditions for the people as a whole, especially in the matter of unemployment relief. A sense of patriotism, plus the idealism which is common to all normal people, has prompted the initiating and temporary acceptance of many experimental measures of great proportions. We have been, both inside and outside of Washington, a nation of millennium hunters and this despite the fact that the millennium is chiefly interesting because it *never* comes. . . . Now, however, a new cycle is at hand. No longer can we ponder and debate over the relative merits of this or that plan. Today we must temper our new born theories and our idealism (however beautiful) in the fire of experience. We must attain *practical* results in a world that cannot over night be made to conform with idealistic theories. Like it or not, understand it or not, we must face the overwhelming and oftentimes cruel forces of realism. In the process of doing this, it is inevitable that there be a wide cleavage between theoretical idealists and practical materialists. . . . In the political arena the theorists and idealists have had enormous opportunity to promote and try out their ideas. In the practical world, the realists are rapidly gaining the tangible evidence with which to earmark those ideas which, in the light of actual experience, are proving good and those which are proving bad. For President Roosevelt or anyone else to believe the guns of criticism can be stayed by other than Hitler methods is nothing short of ridiculous. Every day new evidence is piling up to divide our people into two separate camps, i.e., those that believe in state socialization of business and those that believe in the profit system. . . . As the issue grows clearer, it seems probable that the vote getters and vote seekers will espouse the cause of socialism and this regardless of party affiliations. Simultaneously, the backers of the profit system (principally business men) will be thrown closer and closer together in an effort to influence the politicians of all parties. Business men, whatever their foibles and failings, don't believe that on an average basis they are one-tenth as "cheap," impractical and corrupt as the politicians at large of all parties. And business men are getting distinctly fed up on the idea of supporting trends in governmental policy which they know will posi-

tively destroy the ability of the profit system to finance the theories and experiments of the socialists. As of current date, the brain trusters still seem to be pretty much in the saddle. But war clouds are in the sky. And it can't be long before the opposition uses what Al Smith so characteristically labels "the record" as factual material for influencing the opinion of labor, of white collar workers, of housewives and others capable not only of voting but spreading opinion through human intercourse. . . . We suspect that the recent formation of the American Liberty League, with its bi-partisan setup, is but a symbol and forerunner of colossal developments on which will depend in major degree the life or death of the profit system. SALES MANAGEMENT believes that state socialization of business represents delusion for the masses as well as for the classes, but holds that the political leaders of all parties are amenable to the same conviction if the business men of the country come forth with a vigorous, non-partisan but factual sales campaign in behalf of the profit system. This campaign should be addressed to all factors in our economic life, including such important classifications as labor, white collar clerks, housewives and the youth of the country. It should be impassionate but forceful. It should be done in a crusading spirit rather than an imperialistic one. . . . The profit system as we have practiced it in America was not and is not perfect. But at least we know the profit system as carried out in this country has done more for the masses of the people than any system ever tried by any great nation. So why should business men be timid in facing specious political challenges to the continuation of private enterprise and the profit system?

WHERE ARE WE GOING? It seems obvious that the success of the Roosevelt administration depends in no small measure on the Democrats maintaining a clear majority through the November elections. This in turn indicates the probability that plenty of stimulation for business will be forthcoming from governmental sources between now and the elections in order to offset the likelihood of any depression psychology turning the voting public against the Democratic candidates. It may well be that any current use of governmental moneys and credit to stimulate business will have to be paid for out of sweat and toil in years to come, but this possibility certainly is likely to appeal to the "ins" as a price well worth paying for the privilege of staying in. In any event, whether business is to be made better through normal causes or through stimulative measures, it looks as if a currently optimistic attitude is thoroughly justified. Hence, our recommendation to go after current business aggressively and with ample use of salesmen and sales promotion.

Ray Bill

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